



HOUSING AND COMMUNITY DEVELOPMENT (HCD) COMMISSION SPECIAL MEETING

COMMISSIONERS

S. Bre Jackson (Chair)
Jared Bunde
Dennis Patrick
LaWanda Smith

JANUARY 7, 2025

HYBRID MEETING
www.Cityofvallejo.net

6:00 PM

VALLEJO ROOM
505 Santa Clara Street
Vallejo, CA 94590

NOTICE: Members of the Public will be able to participate in-person or remotely via Zoom	City Hall and the Council Chambers will be open to members of the public 30 minutes prior to the start of the meeting.
PUBLIC COMMENT: Members of the Public may provide public comments during the City Council Meeting in person or via ZOOM (https://Zoom.us/my/Vallejoeoc), or via phone, by dialing (669) 900-6833.	For additional instructions on how to speak remotely during public comment, please visit, www.cityofvallejo.net/publiccomment
<u>VIEW THE MEETING:</u> There are four different ways you can view this public meeting: • In Person • Watch Vallejo local channel 28 • Stream from the City website: www.cityofvallejo.net/Streaming • Join the Zoom webinar: https://Zoom.us/my/Vallejoeoc	
Hybrid Options are available for members of the public to participate. To participate remotely	
<u>Option to Join by Computer</u> From your browser go to https://zoom.us/my/Vallejoeoc to launch and join the zoom application. Meeting ID: 851 502 7190# Meeting Password: 131313	<u>Option to Join by Phone</u> Dial (669) 900-6833 Enter Meeting ID: 851-502-7190# Meeting Password: 131313 Press *9 to digitally raise your hand from the phone. Press *6 to unmute/mute
Any supplemental writing related to an agenda item for an open session of a regular meeting that is distributed to all or a majority of all members of the City Council less than 72 hours before the meeting will be posted concurrently on the City's website at www.cityofvallejo.net/agendas Written material distributed during the meeting, will be available at the meeting if prepared by the City or after the meeting if prepared by someone else. Such materials may be obtained from the City Clerk	



Vallejo City Council Chambers ADA compliant. Devices for the hearing impaired are available from the City Clerk. Requests for disability related modifications or accommodations, aids or services may be made by a person with a disability to the City Clerk's office no less than 72 hours prior to the meeting as required by Section 202 of the Americans with Disabilities Act of 1990 and the federal rules and regulations adopted in implementation thereof

1. CALL TO ORDER

2. PLEDGE OF ALLEGIANCE

3. ROLL CALL

4. PRESENTATIONS AND COMMENDATIONS

A. UPDATES FROM THE CITY MANAGER'S OFFICE ON PROJECTS DEALING WITH HOMELESSNESS

5. REPORT OF THE CITY COUNCIL LIAISON

The City Council Liaison may from time to time, wish to make announcements and reports on items of activity that may be of interest to the Commission and the General Public.

6. COMMUNITY FORUM

Anyone wishing to address the Council on any matter for which another opportunity to speak is not provided on the agenda, and which is within the jurisdiction of the Council to resolve, is requested to submit a completed speaker card to the City Clerk. When called upon, each speaker should step to the podium, state his /her name, and address for the record. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.20.300.

7. PUBLIC COMMENT REGARDING CONSENT CALENDAR ITEMS

Members of the public wishing to address the Council on Consent Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to three minutes pursuant to Vallejo Municipal Code Section 2.02.310. Requests for removal of Consent Items received from the public are subject to approval by a majority vote of the Council. Items removed from the Consent Calendar will be heard immediately after approval of the Consent Calendar and Agenda.

8. CONSENT CALENDAR AND APPROVAL OF AGENDA

A. APPROVAL OF AGENDA

Recommendation: After making changes in the agenda, if any, as permitted under these rules of order and procedure, the Commission shall approve the agenda which shall constitute the agenda of business to be considered at the meeting. The motion offered to approve the agenda shall include the adoption of the consent calendar.

9. ACTION CALENDAR

NOTICE: Members of the public wishing to address the Council on Action Calendar Items are requested to submit a completed speaker card to the City Clerk. Each speaker is limited to five minutes pursuant to Vallejo Municipal Code Section 2.02.420.

A. **PUBLIC HEARING ON HOUSING AND COMMUNITY DEVELOPMENT NEEDS**

Recommendation: Conduct a public hearing. No other action will be taken.

Contact: Alicia M. Jones, Housing Director (707) 648-4408

alicia.jones@cityofvallejo.net

Chari Francisco, Administrative Manager (707) 553-7204

chari.francisco@cityofvallejo.net

10. WRITTEN COMMUNICATIONS

Written Communications from the public will be received and filed. Written communications regarding items on the agenda will be noted at the time the item is considered.

11. REGULAR REPORTS

A. **REPORT OF THE SECRETARY**

Recommendation: The Secretary may, from time to time, report on items that maybe of interest to the Commission and the General Public.

B. **REPORT OF THE CITY ATTORNEY**

Recommendation: The Secretary may, from time to time, report on items that maybe of interest to the Commission and the General Public.

C. **REPORT OF THE PRESIDING OFFICER AND MEMBERS OF THE HOUSING AND COMMUNITY DEVELOPMENT COMMISSION**

Recommendation: The Presiding Officer and any Commissioner may, from time to time, wish to make certain announcements, requests information from staff and report on items of activity that may be of interest to the Commission and the General Public.

D. **REPORT OF SUBCOMMITTEES**

Recommendation: None

12. OTHER AGENDA ITEMS - None

13. ADJOURNMENT

ADDITIONAL CITY INFORMATION

Members of the public can:

- Like us on Facebook and Instagram ([@cityofvallejo](#))
- Sign up to receive City Communications via e-mail (www.cityofvallejo.net/subscribe)
- Sign up for emergency alerts at: alertsolano.com

AFFIDAVIT OF POSTING: I Chari Francisco, do hereby certify that I have caused a true copy of the above notice and agenda to be delivered to each of the members of the City of Vallejo Housing and Community Development Commission, at the time and in the manner prescribed by law and that this agenda was posted at Vallejo City Hall, 555 Santa Clara Street, Vallejo, California at 5:00 P.M., January 5th, 2025.

Dated: January 5th, 2025



Chari Francisco, Secretary



DATE: January 7, 2025
TO: Housing & Community Development Chair and Commissioners
FROM: Chari Francisco, Administrative Manager
SUBJECT: **PUBLIC HEARING ON HOUSING AND COMMUNITY DEVELOPMENT NEEDS**

RECOMMENDATION

Conduct a public hearing. No other action will be taken.

BACKGROUND AND DISCUSSION

Eligible state and local governments receive annual block grants for community development and affordable housing from the U.S. Department of Housing and Urban Development (HUD). For the City of Vallejo, these grants include the Community Development Block Grant (CDBG) Program and the HOME Investment Partnerships ("HOME") Program. A key feature of these grants is the grantee's ability to choose how the funds will be used. For each program, HUD describes a broad range of eligible activities (see Attachments 1 and 2). Local governments can determine which of the eligible activities will best serve the needs of their community. In order to determine the most pressing needs and develop effective, place-based market-driven strategies to meet those needs, HUD requires grantees to develop a Consolidated Plan.

Every five years, the City of Vallejo adopts a Consolidated Plan. The Five-Year Consolidated Plan addresses housing and community development needs, and includes a needs assessment and analysis of the identified affordable housing and community development needs in the City of Vallejo. The City's next Consolidated Plan will be for the period beginning July 1, 2025 and ending June 30, 2030 and due to HUD at least 45 days before the start of City's program/fiscal year, or by May 15th. The statutory deadline to submit the Consolidated Plan to HUD is no later than August 16th of each year.

The Consolidated Plan regulations require that grantees meet certain citizen participation requirements. Each grantee is required to prepare a Citizen Participation Plan that details the community's procedures for involving the public in its program planning and implementation. According to the City of Vallejo's Citizen Participation Plan, before a draft of the Consolidated Plan is prepared, the City will hold at least one public hearing to gather information and receive comments on housing and community development needs in the community. This hearing will also provide an opportunity for residents and other interested parties to comment on how the City's CDBG Program and HOME Program funds may be used in Fiscal Year (FY) 2025-26 (period beginning July 1, 2025 through June 30, 2026).

The current Five-Year Consolidated Plan (FY 2020-21 through FY 2024-25) established the following groups as the most in need of assistance, in this order of priority: (1) extremely low- and very low-income renters; (2) homeless persons; (3) very low- and low-income first time homebuyer; and (4) non-homeless persons with special needs including persons living with HIV/AIDS, severe mental illness, and substance abuse addictions. The Plan has also established community development (non-housing) priorities. They are: (1) completing comprehensive, health and safety-related public improvements in neighborhood target areas, (2) installing curb ramps, City-wide, and (3) providing social services for extremely low-income and very low-income persons to meet their basic human needs. In the Consolidated Plan, quantifiable five-year and annual goals are established to address identified needs.

Public notices regarding this hearing were published in three languages: English, Spanish, and Tagalog, in the local newspaper, Vallejo Times Herald, on December 21, 2024. The notices were also published in Vallejo Weekly, a weekly publication highlighting departmental program and project updates, announcements, community news and events; and distributed to local organizations, public libraries, and other interested parties. Copies of the public notices are provided at Attachment 3.

ATTACHMENTS

1.	CDBG Eligible Activities 24 CFR Part 570 Subpart C (up to date as of 1-01-2025)
2.	HOME Eligible Activities 24 CFR 92.205 (up to date as of 1-01-2025)
3.	Public Notices

CONTACT

Alicia M. Jones, Housing Director (707) 648-4408
alicia.jones@cityofvallejo.net

Chari Francisco, Administrative Manager (707) 553-7204
chari.francisco@cityfvallejo.net

This content is from the eCFR and is authoritative but unofficial.

Title 24 —Housing and Urban Development

Subtitle B —Regulations Relating to Housing and Urban Development

Chapter V —Office of Assistant Secretary for Community Planning and Development, Department of Housing and Urban Development

Subchapter C —Community Facilities

Part 570 —Community Development Block Grants

Authority: 12 U.S.C. 1701x, 1701 x-1; 42 U.S.C. 3535(d) and 5301-5320.

Source: 40 FR 24693, June 9, 1975, unless otherwise noted.

Subpart C Eligible Activities

- § 570.200 General policies.
- § 570.201 Basic eligible activities.
- § 570.202 Eligible rehabilitation and preservation activities.
- § 570.203 Special economic development activities.
- § 570.204 Special activities by Community-Based Development Organizations (CBDOs).
- § 570.205 Eligible planning, urban environmental design and policy-planning-management-capacity building activities.
- § 570.206 Program administrative costs.
- § 570.207 Ineligible activities.
- § 570.208 Criteria for national objectives.
- § 570.209 Guidelines for evaluating and selecting economic development projects.
- § 570.210 Prohibition on use of assistance for employment relocation activities.

Subpart C—Eligible Activities

Source: 53 FR 34439, Sept. 6, 1988, unless otherwise noted.

§ 570.200 General policies.

- (a) **Determination of eligibility.** An activity may be assisted in whole or in part with CDBG funds only if all of the following requirements are met:
 - (1) **Compliance with section 105 of the Act.** Each activity must meet the eligibility requirements of section 105 of the Act as further defined in this subpart.
 - (2) **Compliance with national objectives.** Grant recipients under the Entitlement and HUD-administered Small Cities programs and recipients of insular area funds under section 106 of the Act must certify that their projected use of funds has been developed so as to give maximum feasible priority to activities which will carry out one of the national objectives of benefit to low- and moderate-income families or aid in the prevention or elimination of slums or blight. The projected use of funds may also include activities that the recipient certifies are designed to meet other community development

needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community where other financial resources are not available to meet such needs. Consistent with the foregoing, each recipient under the Entitlement or HUD-administered Small Cities programs, and each recipient of insular area funds under section 106 of the Act must ensure and maintain evidence that each of its activities assisted with CDBG funds meets one of the three national objectives as contained in its certification. Criteria for determining whether an activity addresses one or more of these objectives are found in § 570.208.

- (3) **Compliance with the primary objective.** The primary objective of the Act is described in section 101(c) of the Act. Consistent with this objective, entitlement recipients, non-entitlement CDBG grantees in Hawaii, and recipients of insular area funds under section 106 of the Act must ensure that, over a period of time specified in their certification not to exceed three years, not less than 70 percent of the aggregate of CDBG fund expenditures shall be for activities meeting the criteria under § 570.208(a) or under § 570.208(d)(5) or (6) for benefiting low- and moderate-income persons. For grants under section 107 of the Act, insular area recipients must meet this requirement for each separate grant. See § 570.420(d)(3) for additional discussion of the primary objective requirement for insular areas funded under section 106 of the Act. The requirements for the HUD-administered Small Cities program in New York are at § 570.420(d)(2). In determining the percentage of funds expended for such activities:
- (i) Cost of administration and planning eligible under § 570.205 and § 570.206 will be assumed to benefit low and moderate income persons in the same proportion as the remainder of the CDBG funds and, accordingly shall be excluded from the calculation;
 - (ii) Funds deducted by HUD for repayment of urban renewal temporary loans pursuant to § 570.802(b) shall be excluded;
 - (iii) Funds expended for the repayment of loans guaranteed under the provisions of subpart M of this part (including repayment of the portion of a loan used to pay any issuance, servicing, underwriting, or other costs as may be incurred under § 570.705(g)) shall also be excluded;
 - (iv) Funds expended for the acquisition, new construction or rehabilitation of property for housing that qualifies under § 570.208(a)(3) shall be counted for this purpose but shall be limited to an amount determined by multiplying the total cost (including CDBG and non-CDBG costs) of the acquisition, construction or rehabilitation by the percent of units in such housing to be occupied by low and moderate income persons.
 - (v) Funds expended for any other activities qualifying under § 570.208(a) shall be counted for this purpose in their entirety.
- (4) **Compliance with environmental review procedures.** The environmental review procedures set forth at 24 CFR part 58 must be completed for each activity (or project as defined in 24 CFR part 58), as applicable.
- (5) **Cost principles.** Costs incurred, whether charged on a direct or an indirect basis, must be in conformance with 2 CFR part 200, subpart E. All items of cost listed in 2 CFR part 200, subpart E, that require prior Federal agency approval are allowable without prior approval of HUD to the extent they comply with the general policies and principles stated in 2 CFR part 200, subpart E and are otherwise eligible under this subpart C, except for the following:
- (i) Depreciation methods for fixed assets shall not be changed without the approval of the Federal cognizant agency.

- (ii) Fines penalties, damages, and other settlements are unallowable costs to the CDBG program.
- (iii) Costs of housing (e.g., depreciation, maintenance, utilities, furnishings, rent), housing allowances and personal living expenses (goods or services for personal use) regardless of whether reported as taxable income to the employees (2 CFR 200.445);
- (iv) Organization costs (2 CFR 200.455); and
- (v) Pre-award costs are limited to those authorized under paragraph (h) of this section.

(b) **Special policies governing facilities.** The following special policies apply to:

- (1) **Facilities containing both eligible and ineligible uses.** A public facility otherwise eligible for assistance under the CDBG program may be provided with CDBG funds even if it is part of a multiple use building containing ineligible uses, if:
 - (i) The facility which is otherwise eligible and proposed for assistance will occupy a designated and discrete area within the larger facility; and
 - (ii) The recipient can determine the costs attributable to the facility proposed for assistance as separate and distinct from the overall costs of the multiple-use building and/or facility.

Allowable costs are limited to those attributable to the eligible portion of the building or facility.

- (2) **Fees for use of facilities.** Reasonable fees may be charged for the use of the facilities assisted with CDBG funds, but charges such as excessive membership fees, which will have the effect of precluding low and moderate income persons from using the facilities, are not permitted.

(c) **Special assessments under the CDBG program.** The following policies relate to special assessments under the CDBG program:

- (1) **Definition of special assessment.** The term "special assessment" means the recovery of the capital costs of a public improvement, such as streets, water or sewer lines, curbs, and gutters, through a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public improvement, or a one-time charge made as a condition of access to a public improvement. This term does not relate to taxes, or the establishment of the value of real estate for the purpose of levying real estate, property, or ad valorem taxes, and does not include periodic charges based on the use of a public improvement, such as water or sewer user charges, even if such charges include the recovery of all or some portion of the capital costs of the public improvement.
- (2) **Special assessments to recover capital costs.** Where CDBG funds are used to pay all or part of the cost of a public improvement, special assessments may be imposed as follows:
 - (i) Special assessments to recover the CDBG funds may be made only against properties owned and occupied by persons not of low and moderate income. Such assessments constitute program income.
 - (ii) Special assessments to recover the non-CDBG portion may be made provided that CDBG funds are used to pay the special assessment in behalf of all properties owned and occupied by low and moderate income persons; except that CDBG funds need not be used to pay the special assessments in behalf of properties owned and occupied by moderate income persons if the

grant recipient certifies that it does not have sufficient CDBG funds to pay the assessments in behalf of all of the low and moderate income owner-occupant persons. Funds collected through such special assessments are not program income.

(3) **Public improvements not initially assisted with CDBG funds.** The payment of special assessments with CDBG funds constitutes CDBG assistance to the public improvement. Therefore, CDBG funds may be used to pay special assessments provided:

(i) The installation of the public improvements was carried out in compliance with requirements applicable to activities assisted under this part including environmental, citizen participation and Davis-Bacon requirements;

(ii) The installation of the public improvement meets a criterion for national objectives in § 570.208(a)(1), (b), or (c); and

(iii) The requirements of § 570.200(c)(2)(ii) are met.

(d) **Consultant activities.** Consulting services are eligible for assistance under this part for professional assistance in program planning, development of community development objectives, and other general professional guidance relating to program execution. The use of consultants is governed by the following:

(1) **Employer-employee type of relationship.** No person providing consultant services in an employer-employee type of relationship shall receive more than a reasonable rate of compensation for personal services paid with CDBG funds. In no event, however, shall such compensation exceed the equivalent of the daily rate paid for Level IV of the Executive Schedule. Such services shall be evidenced by written agreements between the parties which detail the responsibilities, standards, and compensation.

(2) **Independent contractor relationship.** Consultant services provided under an independent contractor relationship are governed by the procurement requirements in 2 CFR part 200, subpart D, and are not subject to the compensation limitation of Level IV of the Executive Schedule.

(e) **Recipient determinations required as a condition of eligibility.** In several instances under this subpart, the eligibility of an activity depends on a special local determination. Recipients shall maintain documentation of all such determinations. A written determination is required for any activity carried out under the authority of §§ 570.201(f), 570.201(i)(2), 570.201(p), 570.201(q), 570.202(b)(3), 570.206(f), 570.209, 570.210, and 570.309.

(f) **Means of carrying out eligible activities.**

(1) Activities eligible under this subpart, other than those authorized under § 570.204(a), may be undertaken, subject to local law:

(i) By the recipient through:

(A) Its employees, or

(B) Procurement contracts governed by the requirements of 2 CFR part 200, subpart D; or

(ii) Through loans or grants under agreements with subrecipients, as defined at § 570.500(c); or

(iii) By one or more public agencies, including existing local public agencies, that are designated by the chief executive officer of the recipient.

- (2) Activities made eligible under § 570.204(a) may only be undertaken by entities specified in that section.

(g) **Limitation on planning and administrative costs –**

- (1) **Origin year grant expenditure test.** For origin year 2015 grants and subsequent grants, no more than 20 percent of any origin year grant shall be expended for planning and program administrative costs, as defined in §§ 570.205 and 570.206, respectively. Expenditures of program income for planning and program administrative costs are excluded from this calculation.
- (2) **Program year obligation test.** For all grants and recipients subject to subpart D, the amount of CDBG funds obligated during each program year for planning plus administrative costs, as defined in §§ 570.205 and 570.206, respectively, shall be limited to an amount no greater than 20 percent of the sum of the grant made for that program year (if any) plus the program income received by the recipient and its subrecipients (if any) during that program year. For origin year 2015 grants and subsequent grants, recipients must apply this test consistent with paragraph (g)(1) of this section.
- (3) Funds from a grant of any origin year may be used to pay planning and program administrative costs associated with any grant of any origin year.

(h) **Reimbursement for pre-award costs.** The effective date of the grant agreement is the program year start date or the date that the consolidated plan is received by HUD, whichever is later. For a Section 108 loan guarantee, the effective date of the grant agreement is the date of HUD execution of the grant agreement amendment for the particular loan guarantee commitment.

- (1) Prior to the effective date of the grant agreement, a recipient may incur costs or may authorize a subrecipient to incur costs, and then after the effective date of the grant agreement pay for those costs using its CDBG funds, provided that:
 - (i) The activity for which the costs are being incurred is included, prior to the costs being incurred, in a consolidated plan action plan, an amended consolidated plan action plan, or an application under subpart M of this part, except that a new entitlement grantee preparing to receive its first allocation of CDBG funds may incur costs necessary to develop its consolidated plan and undertake other administrative actions necessary to receive its first grant, prior to the costs being included in its consolidated plan;
 - (ii) Citizens are advised of the extent to which these pre-award costs will affect future grants;
 - (iii) The costs and activities funded are in compliance with the requirements of this part and with the Environmental Review Procedures stated in 24 CFR part 58;
 - (iv) The activity for which payment is being made complies with the statutory and regulatory provisions in effect at the time the costs are paid for with CDBG funds;
 - (v) CDBG payment will be made during a time no longer than the next two program years following the effective date of the grant agreement or amendment in which the activity is first included; and
 - (vi) The total amount of pre-award costs to be paid during any program year pursuant to this provision is no more than the greater of 25 percent of the amount of the grant made for that year or \$300,000.

- (2) Upon the written request of the recipient, HUD may authorize payment of pre-award costs for activities that do not meet the criteria at paragraph (h)(1)(v) or (h)(1)(vi) of this section, if HUD determines, in writing, that there is good cause for granting an exception upon consideration of the following factors, as applicable:
 - (i) Whether granting the authority would result in a significant contribution to the goals and purposes of the CDBG program;
 - (ii) Whether failure to grant the authority would result in undue hardship to the recipient or beneficiaries of the activity;
 - (iii) Whether granting the authority would not result in a violation of a statutory provision or any other regulatory provision;
 - (iv) Whether circumstances are clearly beyond the recipient's control; or
 - (v) Any other relevant considerations.

(i) **Urban Development Action Grant.** Grant assistance may be provided with Urban Development Action Grant funds, subject to the provisions of subpart G, for:

- (1) Activities eligible for assistance under this subpart; and
- (2) Notwithstanding the provisions of § 570.207, such other activities as the Secretary may determine to be consistent with the purposes of the Urban Development Action Grant program.

(j) **Equal participation of faith-based organizations.** The HUD program requirements in § 5.109 of this title apply to the CDBG program, including the requirements regarding disposition and change in use of real property by a faith-based organization.

(k) Any unexpended CDBG origin year grant funds in the United States Treasury account on September 30 of the fifth Federal fiscal year after the end of the origin year grant's period of availability for obligation by HUD will be canceled. HUD may require an earlier expenditure and draw down deadline under a grant agreement.

[53 FR 34439, Sept. 6, 1988, as amended at 54 FR 47031, Nov. 8, 1989; 57 FR 27119, June 17, 1992; 60 FR 1943, Jan. 5, 1995; 60 FR 17445, Apr. 6, 1995; 60 FR 56910, Nov. 9, 1995; 61 FR 11476, Mar. 20, 1996; 61 FR 18674, Apr. 29, 1996; 65 FR 70215, Nov. 21, 2000; 68 FR 56404, Sept. 30, 2003; 69 FR 32778, June 10, 2004; 70 FR 76369, Dec. 23, 2005; 72 FR 46370, Aug. 17, 2007; 80 FR 67633, Nov. 3, 2015; 80 FR 69870, Nov. 12, 2015; 80 FR 75936, Dec. 7, 2015; 81 FR 19418, Apr. 4, 2016]

§ 570.201 Basic eligible activities.

CDBG funds may be used for the following activities:

- (a) **Acquisition.** Acquisition in whole or in part by the recipient, or other public or private nonprofit entity, by purchase, long-term lease, donation, or otherwise, of real property (including air rights, water rights, rights-of-way, easements, and other interests therein) for any public purpose, subject to the limitations of § 570.207.
- (b) **Disposition.** Disposition, through sale, lease, donation, or otherwise, of any real property acquired with CDBG funds or its retention for public purposes, including reasonable costs of temporarily managing such property or property acquired under urban renewal, provided that the proceeds from any such disposition shall be program income subject to the requirements set forth in § 570.504.

- (c) **Public facilities and improvements.** Acquisition, construction, reconstruction, rehabilitation or installation of public facilities and improvements, except as provided in § 570.207(a), carried out by the recipient or other public or private nonprofit entities. (However, activities under this paragraph may be directed to the removal of material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to public facilities and improvements, including those provided for in § 570.207(a)(1).) In undertaking such activities, design features and improvements which promote energy efficiency may be included. Such activities may also include the execution of architectural design features, and similar treatments intended to enhance the aesthetic quality of facilities and improvements receiving CDBG assistance, such as decorative pavements, railings, sculptures, pools of water and fountains, and other works of art. Facilities designed for use in providing shelter for persons having special needs are considered public facilities and not subject to the prohibition of new housing construction described in § 570.207(b)(3). Such facilities include shelters for the homeless; convalescent homes; hospitals, nursing homes; battered spouse shelters; halfway houses for run-away children, drug offenders or parolees; group homes for mentally retarded persons and temporary housing for disaster victims. In certain cases, nonprofit entities and subrecipients including those specified in § 570.204 may acquire title to public facilities. When such facilities are owned by nonprofit entities or subrecipients, they shall be operated so as to be open for use by the general public during all normal hours of operation. Public facilities and improvements eligible for assistance under this paragraph are subject to the policies in § 570.200(b).
- (d) **Clearance and remediation activities.** Clearance, demolition, and removal of buildings and improvements, including movement of structures to other sites and remediation of known or suspected environmental contamination. Demolition of HUD-assisted or HUD-owned housing units may be undertaken only with the prior approval of HUD. Remediation may include project-specific environmental assessment costs not otherwise eligible under § 570.205.
- (e) **Public services.** Provision of public services (including labor, supplies, and materials) including but not limited to those concerned with employment, crime prevention, child care, health, drug abuse, education, fair housing counseling, energy conservation, welfare (but excluding the provision of income payments identified under § 570.207(b)(4)), homebuyer downpayment assistance, or recreational needs. If housing counseling, as defined in 24 CFR 5.100, is provided, it must be carried out in accordance with 24 CFR 5.111. To be eligible for CDBG assistance, a public service must be either a new service or a quantifiable increase in the level of an existing service above that which has been provided by or on behalf of the unit of general local government (through funds raised by the unit or received by the unit from the State in which it is located) in the 12 calendar months before the submission of the action plan. (An exception to this requirement may be made if HUD determines that any decrease in the level of a service was the result of events not within the control of the unit of general local government.) The amount of CDBG funds used for public services shall not exceed paragraphs (e) (1) or (2) of this section, as applicable:
- (1) The amount of CDBG funds used for public services shall not exceed 15 percent of each grant, except that for entitlement grants made under subpart D of this part, nonentitlement CDBG grants in Hawaii, and for recipients of insular area funds under section 106 of the Act, the amount shall not exceed 15 percent of the grant plus 15 percent of program income, as defined in § 570.500(a). For entitlement grants under subpart D of this part, nonentitlement CDBG grants in Hawaii, and for recipients of insular area funds under section 106 of the Act, compliance is based on limiting the amount of CDBG funds obligated for public service activities in each program year to an amount no greater than 15 percent of the entitlement grant made for that program year plus 15 percent of the program income received during the grantee's immediately preceding program year.

- (2) A recipient which obligated more CDBG funds for public services than 15 percent of its grant funded from origin year 1982 or 1983 appropriations (excluding program income and any assistance received under Public Law 98-8), may obligate more CDBG funds than allowable under paragraph (e)(1) of this section, so long as the total amount obligated in any program year does not exceed:
 - (i) For an entitlement grantee, 15% of the program income it received during the preceding program year; plus
 - (ii) A portion of the grant received for the program year which is the highest of the following amounts:
 - (A) The amount determined by applying the percentage of the grant it obligated for public services in the 1982 program year against the grant for its current program year;
 - (B) The amount determined by applying the percentage of the grant it obligated for public services in the 1983 program year against the grant for its current program year;
 - (C) The amount of funds it obligated for public services in the 1982 program year; or,
 - (D) The amount of funds it obligated for public services in the 1983 program year.

(f) **Interim assistance.**

- (1) The following activities may be undertaken on an interim basis in areas exhibiting objectively determinable signs of physical deterioration where the recipient has determined that immediate action is necessary to arrest the deterioration and that permanent improvements will be carried out as soon as practicable:
 - (i) The repairing of streets, sidewalks, parks, playgrounds, publicly owned utilities, and public buildings; and
 - (ii) The execution of special garbage, trash, and debris removal, including neighborhood cleanup campaigns, but not the regular curbside collection of garbage or trash in an area.
- (2) In order to alleviate emergency conditions threatening the public health and safety in areas where the chief executive officer of the recipient determines that such an emergency condition exists and requires immediate resolution, CDBG funds may be used for:
 - (i) The activities specified in paragraph (f)(1) of this section, except for the repair of parks and playgrounds;
 - (ii) The clearance of streets, including snow removal and similar activities, and
 - (iii) The improvement of private properties.
- (3) All activities authorized under paragraph (f)(2) of this section are limited to the extent necessary to alleviate emergency conditions.

(g) **Payment of non-Federal share.** Payment of the non-Federal share required in connection with a Federal grant-in-aid program undertaken as part of CDBG activities, provided, that such payment shall be limited to activities otherwise eligible and in compliance with applicable requirements under this subpart.

(h) **Urban renewal completion.** Payment of the cost of completing an urban renewal project funded under title I of the Housing Act of 1949 as amended. Further information regarding the eligibility of such costs is set forth in § 570.801.

- (i) **Relocation.** Relocation payments and other assistance for permanently and temporarily relocated individuals families, businesses, nonprofit organizations, and farm operations where the assistance is
 - (1) required under the provisions of § 570.606 (b) or (c); or
 - (2) determined by the grantee to be appropriate under the provisions of § 570.606(d).
- (j) **Loss of rental income.** Payments to housing owners for losses of rental income incurred in holding, for temporary periods, housing units to be used for the relocation of individuals and families displaced by program activities assisted under this part.
- (k) **Housing services.** Housing services, as provided in section 105(a)(21) of the Act (42 U.S.C. 5305(a)(21)). If housing counseling, as defined in 24 CFR 5.100, is provided, it must be carried out in accordance with 24 CFR 5.111.
- (l) **Privately owned utilities.** CDBG funds may be used to acquire, construct, reconstruct, rehabilitate, or install the distribution lines and facilities of privately owned utilities, including the placing underground of new or existing distribution facilities and lines.
- (m) **Construction of housing.** CDBG funds may be used for the construction of housing assisted under section 17 of the United States Housing Act of 1937.
- (n) **Homeownership assistance.** CDBG funds may be used to provide direct homeownership assistance to low- or moderate-income households in accordance with section 105(a) of the Act.
- (o)
 - (1) The provision of assistance either through the recipient directly or through public and private organizations, agencies, and other subrecipients (including nonprofit and for-profit subrecipients) to facilitate economic development by:
 - (i) Providing credit, including, but not limited to, grants, loans, loan guarantees, and other forms of financial support, for the establishment, stabilization, and expansion of microenterprises;
 - (ii) Providing technical assistance, advice, and business support services to owners of microenterprises and persons developing microenterprises; and
 - (iii) Providing general support, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services, to owners of microenterprises and persons developing microenterprises.
 - (2) Services provided this paragraph (o) shall not be subject to the restrictions on public services contained in paragraph (e) of this section.
 - (3) For purposes of this paragraph (o), “persons developing microenterprises” means such persons who have expressed interest and who are, or after an initial screening process are expected to be, actively working toward developing businesses, each of which is expected to be a microenterprise at the time it is formed.
 - (4) Assistance under this paragraph (o) may also include training, technical assistance, or other support services to increase the capacity of the recipient or subrecipient to carry out the activities under this paragraph (o).

- (p) **Technical assistance.** Provision of technical assistance to public or nonprofit entities to increase the capacity of such entities to carry out eligible neighborhood revitalization or economic development activities. (The recipient must determine, prior to the provision of the assistance, that the activity for which it is attempting to build capacity would be eligible for assistance under this subpart C, and that the national objective claimed by the grantee for this assistance can reasonably be expected to be met once the entity has received the technical assistance and undertakes the activity.) Capacity building for private or public entities (including grantees) for other purposes may be eligible under § 570.205.
- (q) **Assistance to institutions of higher education.** Provision of assistance by the recipient to institutions of higher education when the grantee determines that such an institution has demonstrated a capacity to carry out eligible activities under this subpart C.

[53 FR 34439, Sept. 6, 1988, as amended at 53 FR 31239, Aug. 17, 1988; 55 FR 29308, July 18, 1990; 57 FR 27119, June 17, 1992; 60 FR 1943, Jan. 5, 1995; 60 FR 56911, Nov. 9, 1995; 61 FR 18674, Apr. 29, 1996; 65 FR 70215, Nov. 21, 2000; 67 FR 47213, July 17, 2002; 71 FR 30034, May 24, 2006; 80 FR 69870, Nov. 12, 2015; 81 FR 90659, Dec. 14, 2016]

§ 570.202 Eligible rehabilitation and preservation activities.

- (a) **Types of buildings and improvements eligible for rehabilitation assistance.** CDBG funds may be used to finance the rehabilitation of:
 - (1) Privately owned buildings and improvements for residential purposes; improvements to a single-family residential property which is also used as a place of business, which are required in order to operate the business, need not be considered to be rehabilitation of a commercial or industrial building, if the improvements also provide general benefit to the residential occupants of the building;
 - (2) Low-income public housing and other publicly owned residential buildings and improvements;
 - (3) Publicly or privately owned commercial or industrial buildings, except that the rehabilitation of such buildings owned by a private for-profit business is limited to improvement to the exterior of the building, abatement of asbestos hazards, lead-based paint hazard evaluation and reduction, and the correction of code violations;
 - (4) Nonprofit-owned nonresidential buildings and improvements not eligible under § 570.201(c); and
 - (5) Manufactured housing when such housing constitutes part of the community's permanent housing stock.
- (b) **Types of assistance.** CDBG funds may be used to finance the following types of rehabilitation activities, and related costs, either singly, or in combination, through the use of grants, loans, loan guarantees, interest supplements, or other means for buildings and improvements described in paragraph (a) of this section, except that rehabilitation of commercial or industrial buildings is limited as described in paragraph (a)(3) of this section.
 - (1) Assistance to private individuals and entities, including profit making and nonprofit organizations, to acquire for the purpose of rehabilitation, and to rehabilitate properties, for use or resale for residential purposes;
 - (2) Labor, materials, and other costs of rehabilitation of properties, including repair directed toward an accumulation of deferred maintenance, replacement of principal fixtures and components of existing structures, installation of security devices, including smoke detectors and dead bolt locks, and

renovation through alterations, additions to, or enhancement of existing structures and improvements, abatement of asbestos hazards (and other contaminants) in buildings and improvements that may be undertaken singly, or in combination;

- (3) Loans for refinancing existing indebtedness secured by a property being rehabilitated with CDBG funds if such financing is determined by the recipient to be necessary or appropriate to achieve the locality's community development objectives;
 - (4) Improvements to increase the efficient use of energy in structures through such means as installation of storm windows and doors, siding, wall and attic insulation, and conversion, modification, or replacement of heating and cooling equipment, including the use of solar energy equipment;
 - (5) Improvements to increase the efficient use of water through such means as water savings faucets and shower heads and repair of water leaks;
 - (6) Connection of residential structures to water distribution lines or local sewer collection lines;
 - (7) For rehabilitation carried out with CDBG funds, costs of:
 - (i) Initial homeowner warranty premiums;
 - (ii) Hazard insurance premiums, except where assistance is provided in the form of a grant; and
 - (iii) Flood insurance premiums for properties covered by the Flood Disaster Protection Act of 1973, pursuant to § 570.605.
 - (8) Costs of acquiring tools to be lent to owners, tenants, and others who will use such tools to carry out rehabilitation;
 - (9) Rehabilitation services, such as rehabilitation counseling, energy auditing, preparation of work specifications, loan processing, inspections, and other services related to assisting owners, tenants, contractors, and other entities, participating or seeking to participate in rehabilitation activities authorized under this section, under section 312 of the Housing Act of 1964, as amended, under section 810 of the Act, or under section 17 of the United States Housing Act of 1937;
 - (10) Assistance for the rehabilitation of housing under section 17 of the United States Housing Act of 1937; and
 - (11) Improvements designed to remove material and architectural barriers that restrict the mobility and accessibility of elderly or severely disabled persons to buildings and improvements eligible for assistance under paragraph (a) of this section.
- (c) **Code enforcement.** Costs incurred for inspection for code violations and enforcement of codes (e.g., salaries and related expenses of code enforcement inspectors and legal proceedings, but not including the cost of correcting the violations) in deteriorating or deteriorated areas when such enforcement together with public or private improvements, rehabilitation, or services to be provided may be expected to arrest the decline of the area.
- (d) **Historic preservation.** CDBG funds may be used for the rehabilitation, preservation or restoration of historic properties, whether publicly or privately owned. Historic properties are those sites or structures that are either listed in or eligible to be listed in the National Register of Historic Places, listed in a State or

local inventory of historic places, or designated as a State or local landmark or historic district by appropriate law or ordinance. Historic preservation, however, is not authorized for buildings for the general conduct of government.

- (e) **Renovation of closed buildings.** CDBG funds may be used to renovate closed buildings, such as closed school buildings, for use as an eligible public facility or to rehabilitate such buildings for housing.
- (f) **Lead-based paint activities.** Lead-based paint activities pursuant to § 570.608.
- (g) **Broadband infrastructure.** Any substantial rehabilitation, as substantial rehabilitation is defined by 24 CFR 5.100, of a building with more than 4 rental units, for which CDBG funds are first obligated by the recipient on or after April 19, 2017, must include installation of broadband infrastructure, as this term is also defined in 24 CFR 5.100, except where the recipient determines and, in accordance with § 570.506, documents the determination that:
 - (1) The location of the substantial rehabilitation makes installation of broadband infrastructure infeasible;
 - (2) The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden; or
 - (3) The structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

[53 FR 34439, Sept. 6, 1988; 53 FR 41330, Oct. 21, 1988, as amended at 60 FR 1944, Jan. 5, 1995; 60 FR 56911, Nov. 9, 1995; 64 FR 50225, Sept. 15, 1999; 71 FR 30035, May 24, 2006; 82 FR 92636, Dec. 20, 2016]

§ 570.203 Special economic development activities.

A recipient may use CDBG funds for special economic development activities in addition to other activities authorized in this subpart that may be carried out as part of an economic development project. Guidelines for selecting activities to assist under this paragraph are provided at § 570.209. The recipient must ensure that the appropriate level of public benefit will be derived pursuant to those guidelines before obligating funds under this authority. Special activities authorized under this section do not include assistance for the construction of new housing. Activities eligible under this section may include costs associated with project-specific assessment or remediation of known or suspected environmental contamination. Special economic development activities include:

- (a) The acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements, including railroad spurs or similar extensions. Such activities may be carried out by the recipient or public or private nonprofit subrecipients.
- (b) The provision of assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project, excluding those described as ineligible in § 570.207(a). In selecting businesses to assist under this authority, the recipient shall minimize, to the extent practicable, displacement of existing businesses and jobs in neighborhoods.
- (c) Economic development services in connection with activities eligible under this section, including, but not limited to, outreach efforts to market available forms of assistance; screening of applicants; reviewing and underwriting applications for assistance; preparation of all necessary agreements; management of

assisted activities; and the screening, referral, and placement of applicants for employment opportunities generated by CDBG-eligible economic development activities, including the costs of providing necessary training for persons filling those positions.

[53 FR 34439, Sept. 6, 1988, as amended at 60 FR 1944, Jan. 5, 1995; 71 FR 30035, May 24, 2006]

§ 570.204 Special activities by Community-Based Development Organizations (CBDOs).

- (a) **Eligible activities.** The recipient may provide CDBG funds as grants or loans to any CBDO qualified under this section to carry out a neighborhood revitalization, community economic development, or energy conservation project. The funded project activities may include those listed as eligible under this subpart, and, except as described in paragraph (b) of this section, activities not otherwise listed as eligible under this subpart. For purposes of qualifying as a project under paragraphs (a)(1), (a)(2), and (a)(3) of this section, the funded activity or activities may be considered either alone or in concert with other project activities either being carried out or for which funding has been committed. For purposes of this section:
- (1) Neighborhood revitalization project includes activities of sufficient size and scope to have an impact on the decline of a geographic location within the jurisdiction of a unit of general local government (but not the entire jurisdiction) designated in comprehensive plans, ordinances, or other local documents as a neighborhood, village, or similar geographical designation; or the entire jurisdiction of a unit of general local government which is under 25,000 population;
 - (2) Community economic development project includes activities that increase economic opportunity, principally for persons of low- and moderate-income, or that stimulate or retain businesses or permanent jobs, including projects that include one or more such activities that are clearly needed to address a lack of affordable housing accessible to existing or planned jobs and those activities specified at 24 CFR 91.1(a)(1)(iii); activities under this paragraph may include costs associated with project-specific assessment or remediation of known or suspected environmental contamination;
 - (3) Energy conservation project includes activities that address energy conservation, principally for the benefit of the residents of the recipient's jurisdiction; and
 - (4) To carry out a project means that the CBDO undertakes the funded activities directly or through contract with an entity other than the grantee, or through the provision of financial assistance for activities in which it retains a direct and controlling involvement and responsibilities.
 - (5) Any new construction or substantial rehabilitation, as substantial rehabilitation is defined by 24 CFR 5.100, of a building with more than 4 rental units, for which CDBG funds are first obligated by the recipient on or after April 19, 2017, must include installation of broadband infrastructure, as this term is also defined in 24 CFR 5.100, except where the recipient determines and, in accordance with § 570.506, documents the determination that:
 - (i) The location of the new construction or substantial rehabilitation makes installation of broadband infrastructure infeasible;
 - (ii) The cost of installing broadband infrastructure would result in a fundamental alteration in the nature of its program or activity or in an undue financial burden; or
 - (iii) The structure of the housing to be substantially rehabilitated makes installation of broadband infrastructure infeasible.

- (b) **Ineligible activities.** Notwithstanding that CBDOs may carry out activities that are not otherwise eligible under this subpart, this section does not authorize:
- (1) Carrying out an activity described as ineligible in § 570.207(a);
 - (2) Carrying out public services that do not meet the requirements of § 570.201(e), except that:
 - (i) Services carried out under this section that are specifically designed to increase economic opportunities through job training and placement and other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services; and
 - (ii) Services of any type carried out under this section pursuant to a strategy approved by HUD under the provisions of 24 CFR 91.215(e) shall not be subject to the limitations in § 570.201(e)(1) or (2), as applicable;
 - (3) Providing assistance to activities that would otherwise be eligible under § 570.203 that do not meet the requirements of § 570.209; or
 - (4) Carrying out an activity that would otherwise be eligible under § 570.205 or § 570.206, but that would result in the recipient's exceeding the spending limitation in § 570.200(g).
- (c) **Eligible CBDOs.**
- (1) A CBDO qualifying under this section is an organization which has the following characteristics:
 - (i) Is an association or corporation organized under State or local law to engage in community development activities (which may include housing and economic development activities) primarily within an identified geographic area of operation within the jurisdiction of the recipient, or in the case of an urban county, the jurisdiction of the county; and
 - (ii) Has as its primary purpose the improvement of the physical, economic or social environment of its geographic area of operation by addressing one or more critical problems of the area, with particular attention to the needs of persons of low and moderate income; and
 - (iii) May be either non-profit or for-profit, provided any monetary profits to its shareholders or members must be only incidental to its operations; and
 - (iv) Maintains at least 51 percent of its governing body's membership for low- and moderate-income residents of its geographic area of operation, owners or senior officers of private establishments and other institutions located in and serving its geographic area of operation, or representatives of low- and moderate-income neighborhood organizations located in its geographic area of operation; and
 - (v) Is not an agency or instrumentality of the recipient and does not permit more than one-third of the membership of its governing body to be appointed by, or to consist of, elected or other public officials or employees or officials of an ineligible entity (even though such persons may be otherwise qualified under paragraph (c)(1)(iv) of this section); and
 - (vi) Except as otherwise authorized in paragraph (c)(1)(v) of this section, requires the members of its governing body to be nominated and approved by the general membership of the organization, or by its permanent governing body; and
 - (vii) Is not subject to requirements under which its assets revert to the recipient upon dissolution; and

- (viii) Is free to contract for goods and services from vendors of its own choosing.
- (2) A CBDO that does not meet the criteria in paragraph (c)(1) of this section may also qualify as an eligible entity under this section if it meets one of the following requirements:
 - (i) Is an entity organized pursuant to section 301(d) of the Small Business Investment Act of 1958 (15 U.S.C. 681(d)), including those which are profit making; or
 - (ii) Is an SBA approved Section 501 State Development Company or Section 502 Local Development Company, or an SBA Certified Section 503 Company under the Small Business Investment Act of 1958, as amended; or
 - (iii) Is a Community Housing Development Organization (CHDO) under 24 CFR 92.2, designated as a CHDO by the HOME Investment Partnerships program participating jurisdiction, with a geographic area of operation of no more than one neighborhood, and has received HOME funds under 24 CFR 92.300 or is expected to receive HOME funds as described in and documented in accordance with 24 CFR 92.300(e).
- (3) A CBDO that does not qualify under paragraph (c)(1) or (2) of this section may also be determined to qualify as an eligible entity under this section if the recipient demonstrates to the satisfaction of HUD, through the provision of information regarding the organization's charter and by-laws, that the organization is sufficiently similar in purpose, function, and scope to those entities qualifying under paragraph (c)(1) or (2) of this section.

[60 FR 1944, Jan. 5, 1995, as amended at 71 FR 30035, May 24, 2006; 81 FR 92636, Dec. 20, 2016]

§ 570.205 Eligible planning, urban environmental design and policy-planning-management-capacity building activities.

- (a) Planning activities which consist of all costs of data gathering, studies, analysis, and preparation of plans and the identification of actions that will implement such plans, including, but not limited to:
 - (1) Comprehensive plans;
 - (2) Community development plans;
 - (3) Functional plans, in areas such as:
 - (i) Housing, including the development of a consolidated plan;
 - (ii) Land use and urban environmental design;
 - (iii) Economic development;
 - (iv) Open space and recreation;
 - (v) Energy use and conservation;
 - (vi) Floodplain and wetlands management in accordance with the requirements of Executive Orders 11988 and 11990;
 - (vii) Transportation;
 - (viii) Utilities; and
 - (ix) Historic preservation.

- (4) Other plans and studies such as:
 - (i) Small area and neighborhood plans;
 - (ii) Capital improvements programs;
 - (iii) Individual project plans (but excluding engineering and design costs related to a specific activity which are eligible as part of the cost of such activity under §§ 570.201-570.204);
 - (iv) The reasonable costs of general environmental, urban environmental design and historic preservation studies; and general environmental assessment- and remediation-oriented planning related to properties with known or suspected environmental contamination. However, costs necessary to comply with 24 CFR part 58, including project specific environmental assessments and clearances for activities eligible for assistance under this part, are eligible as part of the cost of such activities under §§ 570.201-570.204. Costs for such specific assessments and clearances may also be incurred under this paragraph but would then be considered planning costs for the purposes of § 570.200(g);
 - (v) Strategies and action programs to implement plans, including the development of codes, ordinances and regulations;
 - (vi) Support of clearinghouse functions, such as those specified in Executive Order 12372; and
 - (vii) Developing an inventory of properties with known or suspected environmental contamination.
- (5) [Reserved]
- (6) Policy—planning—management—capacity building activities which will enable the recipient to:
 - (1) Determine its needs;
 - (2) Set long-term goals and short-term objectives, including those related to urban environmental design;
 - (3) Devise programs and activities to meet these goals and objectives;
 - (4) Evaluate the progress of such programs and activities in accomplishing these goals and objectives; and
 - (5) Carry out management, coordination and monitoring of activities necessary for effective planning implementation, but excluding the costs necessary to implement such plans.

[53 FR 34439, Sept. 6, 1988, as amended at 56 FR 56127, Oct. 31, 1991; 60 FR 1915, Jan. 5, 1995; 71 FR 30035, May 24, 2006; 80 FR 42366, July 16, 2015; 85 FR 47910, Aug. 7, 2020]

§ 570.206 Program administrative costs.

Payment of reasonable program administrative costs and carrying charges related to the planning and execution of community development activities assisted in whole or in part with funds provided under this part and, where applicable, housing activities (described in paragraph (g) of this section) covered in the recipient's housing assistance plan. This does not include staff and overhead costs directly related to carrying out activities eligible under § 570.201 through § 570.204, since those costs are eligible as part of such activities.

- (a) **General management, oversight and coordination.** Reasonable costs of overall program management, coordination, monitoring, and evaluation. Such costs include, but are not necessarily limited to, necessary expenditures for the following:
- (1) Salaries, wages, and related costs of the recipient's staff, the staff of local public agencies, or other staff engaged in program administration. In charging costs to this category the recipient may either include the entire salary, wages, and related costs allocable to the program of each person whose *primary* responsibilities with regard to the program involve program administration assignments, or the pro rata share of the salary, wages, and related costs of each person whose job includes *any* program administration assignments. The recipient may use only one of these methods during the program year. Program administration includes the following types of assignments:
 - (i) Providing local officials and citizens with information about the program;
 - (ii) Preparing program budgets and schedules, and amendments thereto;
 - (iii) Developing systems for assuring compliance with program requirements;
 - (iv) Developing interagency agreements and agreements with subrecipients and contractors to carry out program activities;
 - (v) Monitoring program activities for progress and compliance with program requirements;
 - (vi) Preparing reports and other documents related to the program for submission to HUD;
 - (vii) Coordinating the resolution of audit and monitoring findings;
 - (viii) Evaluating program results against stated objectives; and
 - (ix) Managing or supervising persons whose primary responsibilities with regard to the program include such assignments as those described in paragraph (a)(1)(i) through (viii) of this section.
 - (2) Travel costs incurred for official business in carrying out the program;
 - (3) Administrative services performed under third party contracts or agreements, including such services as general legal services, accounting services, and audit services; and
 - (4) Other costs for goods and services required for administration of the program, including such goods and services as rental or purchase of equipment, insurance, utilities, office supplies, and rental and maintenance (but not purchase) of office space.
- (b) **Public information.** The provisions of information and other resources to residents and citizen organizations participating in the planning, implementation, or assessment of activities being assisted with CDBG funds.
- (c) **Fair housing activities.** Provision of fair housing services designed to further the fair housing objectives of the Fair Housing Act (42 U.S.C. 3601-20) by making all persons, without regard to race, color, religion, sex, national origin, familial status or handicap, aware of the range of housing opportunities available to them; other fair housing enforcement, education, and outreach activities; and other activities designed to further the housing objective of avoiding undue concentrations of assisted persons in areas containing a high proportion of low and moderate income persons.
- (d) [Reserved]

- (e) **Indirect costs.** Indirect costs may be charged to the CDBG program under a cost allocation plan prepared in accordance with 2 CFR part 200, subpart E.
- (f) **Submission of applications for federal programs.** Preparation of documents required for submission to HUD to receive funds under the CDBG and UDAG programs. In addition, CDBG funds may be used to prepare applications for other Federal programs where the recipient determines that such activities are necessary or appropriate to achieve its community development objectives.
- (g) **Administrative expenses to facilitate housing.** CDBG funds may be used for necessary administrative expenses in planning or obtaining financing for housing as follows: for entitlement recipients, assistance authorized by this paragraph is limited to units which are identified in the recipient's HUD approved housing assistance plan; for HUD-administered small cities recipients, assistance authorized by the paragraph is limited to facilitating the purchase or occupancy of existing units which are to be occupied by low and moderate income households, or the construction of rental or owner units where at least 20 percent of the units in each project will be occupied at affordable rents/costs by low and moderate income persons. Examples of eligible actions are as follows:
 - (1) The cost of conducting preliminary surveys and analysis of market needs;
 - (2) Site and utility plans, narrative descriptions of the proposed construction, preliminary cost estimates, urban design documentation, and "sketch drawings," but excluding architectural, engineering, and other details ordinarily required for construction purposes, such as structural, electrical, plumbing, and mechanical details;
 - (3) Reasonable costs associated with development of applications for mortgage and insured loan commitments, including commitment fees, and of applications and proposals under the Section 8 Housing Assistance Payments Program pursuant to 24 CFR parts 880-883;
 - (4) Fees associated with processing of applications for mortgage or insured loan commitments under programs including those administered by HUD, Farmers Home Administration (FmHA), Federal National Mortgage Association (FNMA), and the Government National Mortgage Association (GNMA);
 - (5) The cost of issuance and administration of mortgage revenue bonds used to finance the acquisition, rehabilitation or construction of housing, but excluding costs associated with the payment or guarantee of the principal or interest on such bonds; and
 - (6) Special outreach activities which result in greater landlord participation in Section 8 Housing Assistance Payments Program-Existing Housing or similar programs for low and moderate income persons.
- (h) **Section 17 of the United States Housing Act of 1937.** Reasonable costs equivalent to those described in paragraphs (a), (b), (e) and (f) of this section for overall program management of the Rental Rehabilitation and Housing Development programs authorized under section 17 of the United States Housing Act of 1937, whether or not such activities are otherwise assisted with funds provided under this part.
- (i) Whether or not such activities are otherwise assisted by funds provided under this part, reasonable costs equivalent to those described in paragraphs (a), (b), (e), and (f) of this section for overall program management of:
 - (1) A Federally designated Empowerment Zone or Enterprise Community; and

- (2) The HOME program under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12701 note).

[53 FR 34439, Sept. 6, 1988; 53 FR 41330, Oct. 21, 1988, as amended at 54 FR 37411, Sept. 8, 1989; 60 FR 56912, Nov. 9, 1995; 69 FR 32778, June 10, 2004; 80 FR 69870, Nov. 12, 2015; 80 FR 75937, Dec. 7, 2015]

§ 570.207 Ineligible activities.

The general rule is that any activity that is not authorized under the provisions of §§ 570.201-570.206 is ineligible to be assisted with CDBG funds. This section identifies specific activities that are ineligible and provides guidance in determining the eligibility of other activities frequently associated with housing and community development.

- (a) The following activities may not be assisted with CDBG funds:

- (1) **Buildings or portions thereof, used for the general conduct of government** as defined at § 570.3(d) cannot be assisted with CDBG funds. This does not include, however, the removal of architectural barriers under § 570.201(c) involving any such building. Also, where acquisition of real property includes an existing improvement which is to be used in the provision of a building for the general conduct of government, the portion of the acquisition cost attributable to the land is eligible, provided such acquisition meets a national objective described in § 570.208.
- (2) **General government expenses.** Except as otherwise specifically authorized in this subpart or under 2 CFR part 200, subpart E, expenses required to carry out the regular responsibilities of the unit of general local government are not eligible for assistance under this part.
- (3) **Political activities.** CDBG funds shall not be used to finance the use of facilities or equipment for political purposes or to engage in other partisan political activities, such as candidate forums, voter transportation, or voter registration. However, a facility originally assisted with CDBG funds may be used on an incidental basis to hold political meetings, candidate forums, or voter registration campaigns, provided that all parties and organizations have access to the facility on an equal basis, and are assessed equal rent or use charges, if any.

- (b) The following activities may not be assisted with CDBG funds unless authorized under provisions of § 570.203 or as otherwise specifically noted herein or when carried out by an entity under the provisions of § 570.204.

- (1) **Purchase of equipment.** The purchase of equipment with CDBG funds is generally ineligible.
 - (i) **Construction equipment.** The purchase of construction equipment is ineligible, but compensation for the use of such equipment through leasing or depreciation pursuant to 2 CFR part 200, subpart E, as applicable for an otherwise eligible activity is an eligible use of CDBG funds. However, the purchase of construction equipment for use as part of a solid waste disposal facility is eligible under § 570.201(c).
 - (ii) **Fire protection equipment.** Fire protection equipment is considered for this purpose to be an integral part of a public facility and thus, purchase of such equipment would be eligible under § 570.201(c).
 - (iii) **Furnishings and personal property.** The purchase of equipment, fixtures, motor vehicles, furnishings, or other personal property not an integral structural fixture is generally ineligible. CDBG funds may be used, however, to purchase or to pay depreciation in accordance with 2 CFR part 200, subpart E, for such items when necessary for use by a recipient or its

subrecipients in the administration of activities assisted with CDBG funds, or when eligible as fire fighting equipment, or when such items constitute all or part of a public service pursuant to § 570.201(e).

- (2) **Operating and maintenance expenses.** The general rule is that any expense associated with repairing, operating or maintaining public facilities, improvements and services is ineligible. Specific exceptions to this general rule are operating and maintenance expenses associated with public service activities, interim assistance, and office space for program staff employed in carrying out the CDBG program. For example, the use of CDBG funds to pay the allocable costs of operating and maintaining a facility used in providing a public service would be eligible under § 570.201(e), even if no other costs of providing such a service are assisted with such funds. Examples of ineligible operating and maintenance expenses are:

- (i) Maintenance and repair of publicly owned streets, parks, playgrounds, water and sewer facilities, neighborhood facilities, senior centers, centers for persons with a disabilities, parking and other public facilities and improvements. Examples of maintenance and repair activities for which CDBG funds may not be used include the filling of pot holes in streets, repairing of cracks in sidewalks, the mowing of recreational areas, and the replacement of expended street light bulbs; and
- (ii) Payment of salaries for staff, utility costs and similar expenses necessary for the operation of public works and facilities.

- (3) **New housing construction.** For the purpose of this paragraph, activities in support of the development of low or moderate income housing including clearance, site assemblage, provision of site improvements and provision of public improvements and certain housing pre-construction costs set forth in § 570.206(g), are not considered as activities to subsidize or assist new residential construction. CDBG funds may not be used for the construction of new permanent residential structures or for any program to subsidize or assist such new construction, except:

- (i) As provided under the last resort housing provisions set forth in 24 CFR part 42;
- (ii) As authorized under § 570.201(m) or (n);
- (iii) When carried out by an entity pursuant to § 570.204(a);

- (4) **Income payments.** The general rule is that CDBG funds may not be used for income payments. For purposes of the CDBG program, "income payments" means a series of subsistence-type grant payments made to an individual or family for items such as food, clothing, housing (rent or mortgage), or utilities, but excludes emergency grant payments made over a period of up to three consecutive months to the provider of such items or services on behalf of an individual or family.

[53 FR 34439, Sept. 6, 1988; 53 FR 41330, Oct. 21, 1988, as amended at 60 FR 1945, Jan. 5, 1995; 60 FR 56912, Nov. 9, 1995; 65 FR 70215, Nov. 21, 2000; 80 FR 75937, Dec. 7, 2015]

§ 570.208 Criteria for national objectives.

The following criteria shall be used to determine whether a CDBG-assisted activity complies with one or more of the national objectives as required under § 570.200(a)(2):

(a) **Activities benefiting low- and moderate-income persons.** Activities meeting the criteria in paragraph (a) (1), (2), (3), or (4) of this section as applicable, will be considered to benefit low and moderate income persons unless there is substantial evidence to the contrary. In assessing any such evidence, the full range of direct effects of the assisted activity will be considered. (The recipient shall appropriately ensure that activities that meet these criteria do not benefit moderate income persons to the exclusion of low income persons.)

(1) **Area benefit activities.**

- (i) An activity, the benefits of which are available to all the residents in a particular area, where at least 51 percent of the residents are low and moderate income persons. Such an area need not be coterminous with census tracts or other officially recognized boundaries but must be the entire area served by the activity. An activity that serves an area that is not primarily residential in character shall not qualify under this criterion.
- (ii) For metropolitan cities and urban counties, an activity that would otherwise qualify under § 570.208(a)(1)(i), except that the area served contains less than 51 percent low- and moderate-income residents, will also be considered to meet the objective of benefiting low- and moderate-income persons where the proportion of such persons in the area is within the highest quartile of all areas in the recipient's jurisdiction in terms of the degree of concentration of such persons. This exception is inapplicable to non-entitlement CDBG grants in Hawaii. In applying this exception, HUD will determine the lowest proportion a recipient may use to qualify an area for this purpose, as follows:
 - (A) All census block groups in the recipient's jurisdiction shall be rank ordered from the block group of highest proportion of low and moderate income persons to the block group with the lowest. For urban counties, the rank ordering shall cover the entire area constituting the urban county and shall not be done separately for each participating unit of general local government.
 - (B) In any case where the total number of a recipient's block groups does not divide evenly by four, the block group which would be fractionally divided between the highest and second quartiles shall be considered to be part of the highest quartile.
 - (C) The proportion of low and moderate income persons in the last census block group in the highest quartile shall be identified. Any service area located within the recipient's jurisdiction and having a proportion of low and moderate income persons at or above this level shall be considered to be within the highest quartile.
 - (D) If block group data are not available for the entire jurisdiction, other data acceptable to the Secretary may be used in the above calculations.
- (iii) An activity to develop, establish, and operate for up to two years after the establishment of, a uniform emergency telephone number system serving an area having less than the percentage of low- and moderate-income residents required under paragraph (a)(1)(i) of this section or (as applicable) paragraph (a)(1)(ii) of this section, provided the recipient obtains prior HUD approval. To obtain such approval, the recipient must:
 - (A) Demonstrate that the system will contribute significantly to the safety of the residents of the area. The request for approval must include a list of the emergency services that will participate in the emergency telephone number system;

- (B) Submit information that serves as a basis for HUD to determine whether at least 51 percent of the use of the system will be by low- and moderate-income persons. As available, the recipient must provide information that identifies the total number of calls actually received over the preceding 12-month period for each of the emergency services to be covered by the emergency telephone number system and relates those calls to the geographic segment (expressed as nearly as possible in terms of census tracts, block numbering areas, block groups, or combinations thereof that are contained within the segment) of the service area from which the calls were generated. In analyzing this data to meet the requirements of this section, HUD will assume that the distribution of income among the callers generally reflects the income characteristics of the general population residing in the same geographic area where the callers reside. If HUD can conclude that the users have primarily consisted of low- and moderate-income persons, no further submission is needed by the recipient. If a recipient plans to make other submissions for this purpose, it may request that HUD review its planned methodology before expending the effort to acquire the information it expects to use to make its case;
 - (C) Demonstrate that other Federal funds received by the recipient are insufficient or unavailable for a uniform emergency telephone number system. For this purpose, the recipient must submit a statement explaining whether the lack of funds is due to the insufficiency of the amount of the available funds, restrictions on the use of such funds, or the prior commitment of funds by the recipient for other purposes; and
 - (D) Demonstrate that the percentage of the total costs of the system paid for by CDBG funds does not exceed the percentage of low- and moderate-income persons in the service area of the system. For this purpose, the recipient must include a description of the boundaries of the service area of the emergency telephone number system, the census divisions that fall within the boundaries of the service area (census tracts or block numbering areas), the total number of persons and the total number of low- and moderate-income persons within each census division, the percentage of low- and moderate-income persons within the service area, and the total cost of the system.
- (iv) An activity for which the assistance to a public improvement that provides benefits to all the residents of an area is limited to paying special assessments (as defined in § 570.200(c)) levied against residential properties owned and occupied by persons of low and moderate income.
 - (v) For purposes of determining qualification under this criterion, activities of the same type that serve different areas will be considered separately on the basis of their individual service area.
 - (vi) In determining whether there is a sufficiently large percentage of low- and moderate-income persons residing in the area served by an activity to qualify under paragraph (a)(1) (i), (ii), or (vii) of this section, the most recently available decennial census information must be used to the fullest extent feasible, together with the section 8 income limits that would have applied at the time the income information was collected by the Census Bureau. Recipients that believe that the census data does not reflect current relative income levels in an area, or where census boundaries do not coincide sufficiently well with the service area of an activity, may conduct (or have conducted) a current survey of the residents of the area to determine the percent of such persons that are low and moderate income. HUD will accept information obtained through such surveys, to be used in lieu of the decennial census data, where it determines that the survey was conducted in such a manner that the results meet standards of statistical reliability that

are comparable to that of the decennial census data for areas of similar size. Where there is substantial evidence that provides a clear basis to believe that the use of the decennial census data would substantially overstate the proportion of persons residing there that are low and moderate income, HUD may require that the recipient rebut such evidence in order to demonstrate compliance with section 105(c)(2) of the Act.

- (vii) Activities meeting the requirements of paragraph (d)(5)(i) of this section may be considered to qualify under this paragraph, provided that the area covered by the strategy is either a Federally-designated Empowerment Zone or Enterprise Community or primarily residential and contains a percentage of low- and moderate-income residents that is no less than the percentage computed by HUD pursuant to paragraph (a)(1)(ii) of this section or 70 percent, whichever is less, but in no event less than 51 percent. Activities meeting the requirements of paragraph (d)(6)(i) of this section may also be considered to qualify under paragraph (a)(1) of this section.

(2) **Limited clientele activities.**

- (i) An activity which benefits a limited clientele, at least 51 percent of whom are low- or moderate-income persons. (The following kinds of activities may not qualify under paragraph (a)(2) of this section: activities, the benefits of which are available to all the residents of an area; activities involving the acquisition, construction or rehabilitation of property for housing; or activities where the benefit to low- and moderate-income persons to be considered is the creation or retention of jobs, except as provided in paragraph (a)(2)(iv) of this section.) To qualify under paragraph (a)(2) of this section, the activity must meet one of the following tests:
 - (A) Benefit a clientele who are generally presumed to be principally low and moderate income persons. Activities that exclusively serve a group of persons in any one or a combination of the following categories may be presumed to benefit persons, 51 percent of whom are low- and moderate-income: abused children, battered spouses, elderly persons, adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled," homeless persons, illiterate adults, persons living with AIDS, and migrant farm workers; or
 - (B) Require information on family size and income so that it is evident that at least 51 percent of the clientele are persons whose family income does not exceed the low and moderate income limit; or
 - (C) Have income eligibility requirements which limit the activity exclusively to low and moderate income persons; or
 - (D) Be of such nature and be in such location that it may be concluded that the activity's clientele will primarily be low and moderate income persons.
- (ii) An activity that serves to remove material or architectural barriers to the mobility or accessibility of elderly persons or of adults meeting the Bureau of the Census' Current Population Reports definition of "severely disabled" will be presumed to qualify under this criterion if it is restricted, to the extent practicable, to the removal of such barriers by assisting:
 - (A) The reconstruction of a public facility or improvement, or portion thereof, that does not qualify under paragraph (a)(1) of this section;
 - (B) The rehabilitation of a privately owned nonresidential building or improvement that does not qualify under paragraph (a)(1) or (4) of this section; or

- (C) The rehabilitation of the common areas of a residential structure that contains more than one dwelling unit and that does not qualify under paragraph (a)(3) of this section.
- (iii) A microenterprise assistance activity carried out in accordance with the provisions of § 570.201(o) with respect to those owners of microenterprises and persons developing microenterprises assisted under the activity during each program year who are low- and moderate-income persons. For purposes of this paragraph, persons determined to be low and moderate income may be presumed to continue to qualify as such for up to a three-year period.
- (iv) An activity designed to provide job training and placement and/or other employment support services, including, but not limited to, peer support programs, counseling, child care, transportation, and other similar services, in which the percentage of low- and moderate-income persons assisted is less than 51 percent may qualify under this paragraph in the following limited circumstance:
 - (A) In such cases where such training or provision of supportive services assists business(es), the only use of CDBG assistance for the project is to provide the job training and/or supportive services; and
 - (B) The proportion of the total cost of the project borne by CDBG funds is no greater than the proportion of the total number of persons assisted who are low or moderate income.
- (3) **Housing activities.** An eligible activity carried out for the purpose of providing or improving permanent residential structures which, upon completion, will be occupied by low- and moderate-income households. This would include, but not necessarily be limited to, the acquisition or rehabilitation of property by the recipient, a subrecipient, a developer, an individual homebuyer, or an individual homeowner; conversion of nonresidential structures; and new housing construction. If the structure contains two dwelling units, at least one must be so occupied, and if the structure contains more than two dwelling units, at least 51 percent of the units must be so occupied. Where two or more rental buildings being assisted are or will be located on the same or contiguous properties, and the buildings will be under common ownership and management, the grouped buildings may be considered for this purpose as a single structure. Where housing activities being assisted meet the requirements of paragraph § 570.208 (d)(5)(ii) or (d)(6)(ii) of this section, all such housing may also be considered for this purpose as a single structure. For rental housing, occupancy by low and moderate income households must be at affordable rents to qualify under this criterion. The recipient shall adopt and make public its standards for determining “affordable rents” for this purpose. The following shall also qualify under this criterion:
 - (i) When less than 51 percent of the units in a structure will be occupied by low and moderate income households, CDBG assistance may be provided in the following limited circumstances:
 - (A) The assistance is for an eligible activity to reduce the development cost of the new construction of a multifamily, non-elderly rental housing project;
 - (B) Not less than 20 percent of the units will be occupied by low and moderate income households at affordable rents; and
 - (C) The proportion of the total cost of developing the project to be borne by CDBG funds is no greater than the proportion of units in the project that will be occupied by low and moderate income households.

- (ii) When CDBG funds are used to assist rehabilitation eligible under § 570.202(b)(9) or (10) in direct support of the recipient's Rental Rehabilitation program authorized under 24 CFR part 511, such funds shall be considered to benefit low and moderate income persons where not less than 51 percent of the units assisted, or to be assisted, by the recipient's Rental Rehabilitation program overall are for low and moderate income persons.
 - (iii) When CDBG funds are used for housing services eligible under § 570.201(k), such funds shall be considered to benefit low- and moderate-income persons if the housing units for which the services are provided are HOME-assisted and the requirements at 24 CFR 92.252 or 92.254 are met.
- (4) **Job creation or retention activities.** An activity designed to create or retain permanent jobs where at least 51 percent of the jobs, computed on a full time equivalent basis, involve the employment of low- and moderate-income persons. To qualify under this paragraph, the activity must meet the following criteria:
- (i) For an activity that creates jobs, the recipient must document that at least 51 percent of the jobs will be held by, or will be available to, low- and moderate-income persons.
 - (ii) For an activity that retains jobs, the recipient must document that the jobs would actually be lost without the CDBG assistance and that either or both of the following conditions apply with respect to at least 51 percent of the jobs at the time the CDBG assistance is provided:
 - (A) The job is known to be held by a low- or moderate-income person; or
 - (B) The job can reasonably be expected to turn over within the following two years and that steps will be taken to ensure that it will be filled by, or made available to, a low- or moderate-income person upon turnover.
 - (iii) Jobs that are not held or filled by a low- or moderate-income person may be considered to be available to low- and moderate-income persons for these purposes only if:
 - (A) Special skills that can only be acquired with substantial training or work experience or education beyond high school are not a prerequisite to fill such jobs, or the business agrees to hire unqualified persons and provide training; and
 - (B) The recipient and the assisted business take actions to ensure that low- and moderate-income persons receive first consideration for filling such jobs.
 - (iv) For purposes of determining whether a job is held by or made available to a low- or moderate-income person, the person may be presumed to be a low- or moderate-income person if:
 - (A) He/she resides within a census tract (or block numbering area) that either:
 - (1) Meets the requirements of paragraph (a)(4)(v) of this section; or
 - (2) Has at least 70 percent of its residents who are low- and moderate-income persons; or
 - (B) The assisted business is located within a census tract (or block numbering area) that meets the requirements of paragraph (a)(4)(v) of this section and the job under consideration is to be located within that census tract.

- (v) A census tract (or block numbering area) qualifies for the presumptions permitted under paragraphs (a)(4)(iv)(A)(1) and (B) of this section if it is either part of a Federally-designated Empowerment Zone or Enterprise Community or meets the following criteria:
 - (A) It has a poverty rate of at least 20 percent as determined by the most recently available decennial census information;
 - (B) It does not include any portion of a central business district, as this term is used in the most recent Census of Retail Trade, unless the tract has a poverty rate of at least 30 percent as determined by the most recently available decennial census information; and
 - (C) It evidences pervasive poverty and general distress by meeting at least one of the following standards:
 - (1) All block groups in the census tract have poverty rates of at least 20 percent;
 - (2) The specific activity being undertaken is located in a block group that has a poverty rate of at least 20 percent; or
 - (3) Upon the written request of the recipient, HUD determines that the census tract exhibits other objectively determinable signs of general distress such as high incidence of crime, narcotics use, homelessness, abandoned housing, and deteriorated infrastructure or substantial population decline.
- (vi) As a general rule, each assisted business shall be considered to be a separate activity for purposes of determining whether the activity qualifies under this paragraph, except:
 - (A) In certain cases such as where CDBG funds are used to acquire, develop or improve a real property (e.g., a business incubator or an industrial park) the requirement may be met by measuring jobs in the aggregate for all the businesses which locate on the property, provided such businesses are not otherwise assisted by CDBG funds.
 - (B) Where CDBG funds are used to pay for the staff and overhead costs of an entity making loans to businesses exclusively from non-CDBG funds, this requirement may be met by aggregating the jobs created by all of the businesses receiving loans during each program year.
 - (C) Where CDBG funds are used by a recipient or subrecipient to provide technical assistance to businesses, this requirement may be met by aggregating the jobs created or retained by all of the businesses receiving technical assistance during each program year.
 - (D) Where CDBG funds are used for activities meeting the criteria listed at § 570.209(b)(2)(v), this requirement may be met by aggregating the jobs created or retained by all businesses for which CDBG assistance is obligated for such activities during the program year, except as provided at paragraph (d)(7) of this section.
 - (E) Where CDBG funds are used by a Community Development Financial Institution to carry out activities for the purpose of creating or retaining jobs, this requirement may be met by aggregating the jobs created or retained by all businesses for which CDBG assistance is obligated for such activities during the program year, except as provided at paragraph (d)(7) of this section.

- (F) Where CDBG funds are used for public facilities or improvements which will result in the creation or retention of jobs by more than one business, this requirement may be met by aggregating the jobs created or retained by all such businesses as a result of the public facility or improvement.
 - (1) Where the public facility or improvement is undertaken principally for the benefit of one or more particular businesses, but where other businesses might also benefit from the assisted activity, the requirement may be met by aggregating only the jobs created or retained by those businesses for which the facility/improvement is principally undertaken, provided that the cost (in CDBG funds) for the facility/improvement is less than \$10,000 per permanent full-time equivalent job to be created or retained by those businesses.
 - (2) In any case where the cost per job to be created or retained (as determined under paragraph (a)(4)(vi)(F)(1) of this section) is \$10,000 or more, the requirement must be met by aggregating the jobs created or retained as a result of the public facility or improvement by all businesses in the service area of the facility/improvement. This aggregation must include businesses which, as a result of the public facility/improvement, locate or expand in the service area of the facility/improvement between the date the recipient identifies the activity in its action plan under part 91 of this title and the date one year after the physical completion of the facility/improvement. In addition, the assisted activity must comply with the public benefit standards at § 570.209(b).

(b) **Activities which aid in the prevention or elimination of slums or blight.** Activities meeting one or more of the following criteria, in the absence of substantial evidence to the contrary, will be considered to aid in the prevention or elimination of slums or blight:

- (1) **Activities to address slums or blight on an area basis.** An activity will be considered to address prevention or elimination of slums or blight in an area if:
 - (i) The area, delineated by the recipient, meets a definition of a slum, blighted, deteriorated or deteriorating area under State or local law;
 - (ii) The area also meets the conditions in either paragraph (A) or (B):
 - (A) At least 25 percent of properties throughout the area experience one or more of the following conditions:
 - (1) Physical deterioration of buildings or improvements;
 - (2) Abandonment of properties;
 - (3) Chronic high occupancy turnover rates or chronic high vacancy rates in commercial or industrial buildings;
 - (4) Significant declines in property values or abnormally low property values relative to other areas in the community; or
 - (5) Known or suspected environmental contamination.
 - (B) The public improvements throughout the area are in a general state of deterioration.

- (iii) Documentation is to be maintained by the recipient on the boundaries of the area and the conditions and standards used that qualified the area at the time of its designation. The recipient shall establish definitions of the conditions listed at § 570.208(b)(1)(ii)(A), and maintain records to substantiate how the area met the slums or blighted criteria. The designation of an area as slum or blighted under this section is required to be redetermined every 10 years for continued qualification. Documentation must be retained pursuant to the recordkeeping requirements contained at § 570.506 (b)(8)(ii).
- (iv) The assisted activity addresses one or more of the conditions which contributed to the deterioration of the area. Rehabilitation of residential buildings carried out in an area meeting the above requirements will be considered to address the area's deterioration only where each building rehabilitated is considered substandard under local definition before rehabilitation, and all deficiencies making a building substandard have been eliminated. At a minimum, the local definition for this purpose must be such that buildings that it would render substandard would also fail to meet the standards for the condition of HUD housing at 24 CFR 5.703.

(2) **Activities to address slums or blight on a spot basis.** The following activities may be undertaken on a spot basis to eliminate specific conditions of blight, physical decay, or environmental contamination that are not located in a slum or blighted area: acquisition; clearance; relocation; historic preservation; remediation of environmentally contaminated properties; or rehabilitation of buildings or improvements. However, rehabilitation must be limited to eliminating those conditions that are detrimental to public health and safety. If acquisition or relocation is undertaken, it must be a precursor to another eligible activity (funded with CDBG or other resources) that directly eliminates the specific conditions of blight or physical decay, or environmental contamination.

(3) **Activities to address slums or blight in an urban renewal area.** An activity will be considered to address prevention or elimination of slums or blight in an urban renewal area if the activity is:

- (i) Located within an urban renewal project area or Neighborhood Development Program (NDP) action area; i.e., an area in which funded activities were authorized under an urban renewal Loan and Grant Agreement or an annual NDP Funding Agreement, pursuant to title I of the Housing Act of 1949; and
- (ii) Necessary to complete the urban renewal plan, as then in effect, including *initial* land redevelopment permitted by the plan.

Note: Despite the restrictions in (b) (1) and (2) of this section, any rehabilitation activity which benefits low and moderate income persons pursuant to paragraph (a)(3) of this section can be undertaken without regard to the area in which it is located or the extent or nature of rehabilitation assisted.

(c) **Activities designed to meet community development needs having a particular urgency.** In the absence of substantial evidence to the contrary, an activity will be considered to address this objective if the recipient certifies that the activity is designed to alleviate existing conditions which pose a serious and immediate threat to the health or welfare of the community which are of recent origin or which recently became urgent, that the recipient is unable to finance the activity on its own, and that other sources of funding are not available. A condition will generally be considered to be of recent origin if it developed or became critical within 18 months preceding the certification by the recipient.

(d) **Additional criteria.**

- (1) Where the assisted activity is acquisition of real property, a preliminary determination of whether the activity addresses a national objective may be based on the planned use of the property after acquisition. A final determination shall be based on the actual use of the property, excluding any short-term, temporary use. Where the acquisition is for the purpose of clearance which will eliminate specific conditions of blight or physical decay, the clearance activity shall be considered the actual use of the property. However, any subsequent use or disposition of the cleared property shall be treated as a "change of use" under § 570.505.
- (2) Where the assisted activity is relocation assistance that the recipient is required to provide, such relocation assistance shall be considered to address the same national objective as is addressed by the displacing activity. Where the relocation assistance is voluntary on the part of the grantee the recipient may qualify the assistance either on the basis of the national objective addressed by the displacing activity or on the basis that the recipients of the relocation assistance are low and moderate income persons.
- (3) In any case where the activity undertaken for the purpose of creating or retaining jobs is a public improvement and the area served is primarily residential, the activity must meet the requirements of paragraph (a)(1) of this section as well as those of paragraph (a)(4) of this section in order to qualify as benefiting low and moderate income persons.
- (4) CDBG funds expended for planning and administrative costs under § 570.205 and § 570.206 will be considered to address the national objectives.
- (5) Where the grantee has elected to prepare an area revitalization strategy pursuant to the authority of § 91.215(e) of this title and HUD has approved the strategy, the grantee may also elect the following options:
 - (i) Activities undertaken pursuant to the strategy for the purpose of creating or retaining jobs may, at the option of the grantee, be considered to meet the requirements of this paragraph under the criteria at paragraph (a)(1)(vii) of this section in lieu of the criteria at paragraph (a)(4) of this section; and
 - (ii) All housing activities in the area for which, pursuant to the strategy, CDBG assistance is obligated during the program year may be considered to be a single structure for purposes of applying the criteria at paragraph (a)(3) of this section.
- (6) Where CDBG-assisted activities are carried out by a Community Development Financial Institution whose charter limits its investment area to a primarily residential area consisting of at least 51 percent low- and moderate-income persons, the grantee may also elect the following options:
 - (i) Activities carried out by the Community Development Financial Institution for the purpose of creating or retaining jobs may, at the option of the grantee, be considered to meet the requirements of this paragraph under the criteria at paragraph (a)(1)(vii) of this section in lieu of the criteria at paragraph (a)(4) of this section; and
 - (ii) All housing activities for which the Community Development Financial Institution obligates CDBG assistance during the program year may be considered to be a single structure for purposes of applying the criteria at paragraph (a)(3) of this section.
- (7) Where an activity meeting the criteria at § 570.209(b)(2)(v) may also meet the requirements of either paragraph (d)(5)(i) or (d)(6)(i) of this section, the grantee may elect to qualify the activity under either the area benefit criteria at paragraph (a)(1)(vii) of this section or the job aggregation criteria at

paragraph (a)(4)(vi)(D) of this section, but not both. Where an activity may meet the job aggregation criteria at both paragraphs (a)(4)(vi)(D) and (E) of this section, the grantee may elect to qualify the activity under either criterion, but not both.

[53 FR 34439, Sept. 6, 1988; 53 FR 41330, Oct. 21, 1988, as amended at 60 FR 1945, Jan. 5, 1995; 60 FR 17445, Apr. 6, 1995; 60 FR 56912, Nov. 9, 1995; 61 FR 18674, Apr. 29, 1996; 71 FR 30035, May 24, 2006; 72 FR 46370, Aug. 17, 2007; 88 FR 30498, May 11, 2023]

§ 570.209 Guidelines for evaluating and selecting economic development projects.

The following guidelines are provided to assist the recipient to evaluate and select activities to be carried out for economic development purposes. Specifically, these guidelines are applicable to activities that are eligible for CDBG assistance under § 570.203. These guidelines also apply to activities carried out under the authority of § 570.204 that would otherwise be eligible under § 570.203, were it not for the involvement of a Community-Based Development Organization (CBDO). (This would include activities where a CBDO makes loans to for-profit businesses.) These guidelines are composed of two components: guidelines for evaluating project costs and financial requirements; and standards for evaluating public benefit. The standards for evaluating public benefit are *mandatory*, but the guidelines for evaluating projects costs and financial requirements are not.

- (a) **Guidelines and objectives for evaluating project costs and financial requirements.** HUD has developed guidelines that are designed to provide the recipient with a framework for financially underwriting and selecting CDBG-assisted economic development projects which are financially viable and will make the most effective use of the CDBG funds. These guidelines, also referred to as the underwriting guidelines, are published as appendix A to this part. The use of the underwriting guidelines published by HUD is not mandatory. However, grantees electing not to use these guidelines would be expected to conduct basic financial underwriting prior to the provision of CDBG financial assistance to a for-profit business. Where appropriate, HUD's underwriting guidelines recognize that different levels of review are appropriate to take into account differences in the size and scope of a proposed project, and in the case of a microenterprise or other small business to take into account the differences in the capacity and level of sophistication among businesses of differing sizes. Recipients are encouraged, when they develop their own programs and underwriting criteria, to also take these factors into account. The objectives of the underwriting guidelines are to ensure:
 - (1) That project costs are reasonable;
 - (2) That all sources of project financing are committed;
 - (3) That to the extent practicable, CDBG funds are not substituted for non-Federal financial support;
 - (4) That the project is financially feasible;
 - (5) That to the extent practicable, the return on the owner's equity investment will not be unreasonably high; and
 - (6) That to the extent practicable, CDBG funds are disbursed on a pro rata basis with other finances provided to the project.
- (b) **Standards for evaluating public benefit.** The grantee is responsible for making sure that at least a minimum level of public benefit is obtained from the expenditure of CDBG funds under the categories of eligibility governed by these guidelines. The standards set forth below identify the types of public benefit that will be recognized for this purpose and the minimum level of each that must be obtained for the

amount of CDBG funds used. Unlike the guidelines for project costs and financial requirements covered under paragraph (a) of this section, the use of the standards for public benefit is mandatory. Certain public facilities and improvements eligible under § 570.201(c) of the regulations, which are undertaken for economic development purposes, are also subject to these standards, as specified in § 570.208(a)(4)(vi)(F)(2).

(1) ***Standards for activities in the aggregate.*** Activities covered by these guidelines must, in the aggregate, either:

- (i) Create or retain at least one full-time equivalent, permanent job per \$35,000 of CDBG funds used; or
- (ii) Provide goods or services to residents of an area, such that the number of low- and moderate-income persons residing in the areas served by the assisted businesses amounts to at least one low- and moderate-income person per \$350 of CDBG funds used.

(2) ***Applying the aggregate standards.***

- (i) A metropolitan city, an urban county, a non-entitlement CDBG grantee in Hawaii, or an Insular Area shall apply the aggregate standards under paragraph (b)(1) of this section to all applicable activities for which CDBG funds are first obligated within each single CDBG program year, without regard to the source year of the funds used for the activities. For Insular Areas, the preceding sentence applies to grants received in program years after Fiscal Year 2004. A grantee under the HUD-administered Small Cities Program, or Insular Areas CDBG grants prior to Fiscal Year 2005, shall apply the aggregate standards under paragraph (b)(1) of this section to all funds obligated for applicable activities from a given grant; program income obligated for applicable activities will, for these purposes, be aggregated with the most recent open grant. For any time period in which a community has no open HUD-administered or Insular Areas grants, the aggregate standards shall be applied to all applicable activities for which program income is obligated during that period.
- (ii) The grantee shall apply the aggregate standards to the number of jobs to be created/retained, or to the number of persons residing in the area served (as applicable), as determined at the time funds are obligated to activities.
- (iii) Where an activity is expected both to create or retain jobs and to provide goods or services to residents of an area, the grantee may elect to count the activity under either the jobs standard or the area residents standard, but not both.
- (iv) Where CDBG assistance for an activity is limited to job training and placement and/or other employment support services, the jobs assisted with CDBG funds shall be considered to be created or retained jobs for the purposes of applying the aggregate standards.
- (v) Any activity subject to these guidelines which meets one or more of the following criteria may, at the grantee's option, be excluded from the aggregate standards described in paragraph (b)(1) of this section:
 - (A) Provides jobs exclusively for unemployed persons or participants in one or more of the following programs:
 - (1) Jobs Training Partnership Act (JTPA);
 - (2) Jobs Opportunities for Basic Skills (JOBS); or

- (3) Aid to Families with Dependent Children (AFDC);
 - (B) Provides jobs predominantly for residents of Public and Indian Housing units;
 - (C) Provides jobs predominantly for homeless persons;
 - (D) Provides jobs predominantly for low-skilled, low- and moderate-income persons, where the business agrees to provide clear opportunities for promotion and economic advancement, such as through the provision of training;
 - (E) Provides jobs predominantly for persons residing within a census tract (or block numbering area) that has at least 20 percent of its residents who are in poverty;
 - (F) Provides assistance to business(es) that operate(s) within a census tract (or block numbering area) that has at least 20 percent of its residents who are in poverty;
 - (G) Stabilizes or revitalizes a neighborhood that has at least 70 percent of its residents who are low- and moderate-income;
 - (H) Provides assistance to a Community Development Financial Institution that serve an area that is predominantly low- and moderate-income persons;
 - (I) Provides assistance to a Community-Based Development Organization serving a neighborhood that has at least 70 percent of its residents who are low- and moderate-income;
 - (J) Provides employment opportunities that are an integral component of a project designed to promote spatial deconcentration of low- and moderate-income and minority persons;
 - (K) With prior HUD approval, provides substantial benefit to low-income persons through other innovative approaches;
 - (L) Provides services to the residents of an area pursuant to a strategy approved by HUD under the provisions of § 91.215(e) of this title;
 - (M) Creates or retains jobs through businesses assisted in an area pursuant to a strategy approved by HUD under the provisions of § 91.215(e) of this title.
 - (N) Directly involves the economic development or redevelopment of environmentally contaminated properties.
- (3) **Standards for individual activities.** Any activity subject to these guidelines which falls into one or more of the following categories will be considered by HUD to provide insufficient public benefit, and therefore may under no circumstances be assisted with CDBG funds:
- (i) The amount of CDBG assistance exceeds either of the following, as applicable:
 - (A) \$50,000 per full-time equivalent, permanent job created or retained; or
 - (B) \$1,000 per low- and moderate-income person to which goods or services are provided by the activity.
 - (ii) The activity consists of or includes any of the following:
 - (A) General promotion of the community as a whole (as opposed to the promotion of specific areas and programs);

- (B) Assistance to professional sports teams;
- (C) Assistance to privately-owned recreational facilities that serve a predominantly higher-income clientele, where the recreational benefit to users or members clearly outweighs employment or other benefits to low- and moderate-income persons;
- (D) Acquisition of land for which the specific proposed use has not yet been identified; and
- (E) Assistance to a for-profit business while that business or any other business owned by the same person(s) or entity(ies) is the subject of unresolved findings of noncompliance relating to previous CDBG assistance provided by the recipient.

(4) ***Applying the individual activity standards.***

- (i) Where an activity is expected both to create or retain jobs and to provide goods or services to residents of an area, it will be disqualified only if the amount of CDBG assistance exceeds both of the amounts in paragraph (b)(3)(i) of this section.
- (ii) The individual activity standards in paragraph (b)(3)(i) of this section shall be applied to the number of jobs to be created or retained, or to the number of persons residing in the area served (as applicable), as determined at the time funds are obligated to activities.
- (iii) Where CDBG assistance for an activity is limited to job training and placement and/or other employment support services, the jobs assisted with CDBG funds shall be considered to be created or retained jobs for the purposes of applying the individual activity standards in paragraph (b)(3)(i) of this section.

(c) ***Amendments to economic development projects after review determinations.*** If, after the grantee enters into a contract to provide assistance to a project, the scope or financial elements of the project change to the extent that a significant contract amendment is appropriate, the project should be reevaluated under these and the recipient's guidelines. (This would include, for example, situations where the business requests a change in the amount or terms of assistance being provided, or an extension to the loan payment period required in the contract.) If a reevaluation of the project indicates that the financial elements and public benefit to be derived have also substantially changed, then the recipient should make appropriate adjustments in the amount, type, terms or conditions of CDBG assistance which has been offered, to reflect the impact of the substantial change. (For example, if a change in the project elements results in a substantial reduction of the total project costs, it may be appropriate for the recipient to reduce the amount of total CDBG assistance.) If the amount of CDBG assistance provided to the project is increased, the amended project must still comply with the public benefit standards under paragraph (b) of this section.

(d) ***Documentation.*** The grantee must maintain sufficient records to demonstrate the level of public benefit, based on the above standards, that is actually achieved upon completion of the CDBG-assisted economic development activity(ies) and how that compares to the level of such benefit anticipated when the CDBG assistance was obligated. If the grantee's actual results show a pattern of substantial variation from anticipated results, the grantee is expected to take all actions reasonably within its control to improve the accuracy of its projections. If the actual results demonstrate that the recipient has failed the public benefit standards, HUD may require the recipient to meet more stringent standards in future years as appropriate.

[60 FR 1947, Jan. 5, 1995, as amended at 60 FR 17445, Apr. 6, 1995; 71 FR 30035, May 24, 2006; 72 FR 12535, Mar. 15, 2007; 72 FR 46370, Aug. 17, 2007]

§ 570.210 Prohibition on use of assistance for employment relocation activities.

- (a) **Prohibition.** CDBG funds may not be used to directly assist a business, including a business expansion, in the relocation of a plant, facility, or operation from one LMA to another LMA if the relocation is likely to result in a significant loss of jobs in the LMA from which the relocation occurs.
- (b) **Definitions.** The following definitions apply to this section:
 - (1) **Directly assist.** Directly assist means the provision of CDBG funds for activities pursuant to:
 - (i) § 570.203(b); or
 - (ii) §§ 570.201(a)-(d), 570.201(l), 570.203(a), or § 570.204 when the grantee, subrecipient, or, in the case of an activity carried out pursuant to § 570.204, a Community Based Development Organization (CDBO) enters into an agreement with a business to undertake one or more of these activities as a condition of the business relocating a facility, plant, or operation to the grantee's LMA. Provision of public facilities and indirect assistance that will provide benefit to multiple businesses does not fall under the definition of "directly assist," unless it includes the provision of infrastructure to aid a specific business that is the subject of an agreement with the specific assisted business.
 - (2) **Labor market area (LMA).** For metropolitan areas, an LMA is an area defined as such by the BLS. An LMA is an economically integrated geographic area within which individuals can live and find employment within a reasonable distance or can readily change employment without changing their place of residence. In addition, LMAs are nonoverlapping and geographically exhaustive. For metropolitan areas, grantees must use employment data, as defined by the BLS, for the LMA in which the affected business is currently located and from which current jobs may be lost. For non-metropolitan areas, an LMA is either an area defined by the BLS as an LMA, or a state may choose to combine non-metropolitan LMAs. States are required to define or reaffirm prior definitions of their LMAs on an annual basis and retain records to substantiate such areas prior to any business relocation that would be impacted by this rule. Metropolitan LMAs cannot be combined, nor can a non-metropolitan LMA be combined with a metropolitan LMA. For the HUD-administered Small Cities Program, each of the three participating counties in Hawaii will be considered to be its own LMA. Recipients of Fiscal Year 1999 Small Cities Program funding in New York will follow the requirements for State CDBG recipients.
 - (3) **Operation.** A business operation includes, but is not limited to, any equipment, employment opportunity, production capacity or product line of the business.
 - (4) **Significant loss of jobs.**
 - (i) A loss of jobs is significant if: The number of jobs to be lost in the LMA in which the affected business is currently located is equal to or greater than one-tenth of one percent of the total number of persons in the labor force of that LMA; or in all cases, a loss of 500 or more jobs. Notwithstanding the aforementioned, a loss of 25 jobs or fewer does not constitute a significant loss of jobs.
 - (ii) A job is considered to be lost due to the provision of CDBG assistance if the job is relocated within three years of the provision of assistance to the business; or the time period within which jobs are to be created as specified by the agreement between the business and the recipient if it is longer than three years.

- (c) **Written agreement.** Before directly assisting a business with CDBG funds, the recipient, subrecipient, or a CDBO (in the case of an activity carried out pursuant to § 570.204) shall sign a written agreement with the assisted business. The written agreement shall include:
- (1) **Statement.** A statement from the assisted business as to whether the assisted activity will result in the relocation of any industrial or commercial plant, facility, or operation from one LMA to another, and, if so, the number of jobs that will be relocated from each LMA;
 - (2) **Required information.** If the assistance will not result in a relocation covered by this section, a certification from the assisted business that neither it, nor any of its subsidiaries, has plans to relocate jobs at the time the agreement is signed that would result in a significant job loss as defined in this rule; and
 - (3) **Reimbursement of assistance.** The agreement shall provide for reimbursement of any assistance provided to, or expended on behalf of, the business in the event that assistance results in a relocation prohibited under this section.
- (d) **Assistance not covered by this section.** This section does not apply to:
- (1) **Relocation assistance.** Relocation assistance required by the Uniform Assistance and Real Property Acquisition Policies Act of 1970, (URA) (42 U.S.C. 4601-4655);
 - (2) **Microenterprises.** Assistance to microenterprises as defined by Section 102(a)(22) of the Housing and Community Development Act of 1974; and
 - (3) **Arms-length transactions.** Assistance to a business that purchases business equipment, inventory, or other physical assets in an arms-length transaction, including the assets of an existing business, provided that the purchase does not result in the relocation of the sellers' business operation (including customer base or list, goodwill, product lines, or trade names) from one LMA to another LMA and does not produce a significant loss of jobs in the LMA from which the relocation occurs.

[70 FR 76369, Dec. 23, 2005]

This content is from the eCFR and is authoritative but unofficial.

Title 24 — Housing and Urban Development

Subtitle A — Office of the Secretary, Department of Housing and Urban Development

Part 92 — Home Investment Partnerships Program

Subpart E — Program Requirements

Eligible and Prohibited Activities

Authority: 42 U.S.C. 3535(d) and 12701–12839, 12 U.S.C. 1701x.

Source: 61 FR 48750, Sept. 16, 1996, unless otherwise noted.

§ 92.205 Eligible activities: General.

(a) *Eligible activities.*

- (1) HOME funds may be used by a participating jurisdiction to provide incentives to develop and support affordable rental housing and homeownership affordability through the acquisition (including assistance to homebuyers), new construction, reconstruction, or rehabilitation of nonluxury housing with suitable amenities, including real property acquisition, site improvements, conversion, demolition, and other expenses, including financing costs, relocation expenses of any displaced persons, families, businesses, or organizations; to provide tenant-based rental assistance, including security deposits; to provide payment of reasonable administrative and planning costs; and to provide for the payment of operating expenses of community housing development organizations. The housing must be permanent or transitional housing. The specific eligible costs for these activities are set forth in §§ 92.206 through 92.209. The activities and costs are eligible only if the housing meets the property standards in § 92.251 upon project completion.
- (2) Acquisition of vacant land or demolition must be undertaken only with respect to a particular housing project intended to provide affordable housing within the time frames established in paragraph (2) of the definition of “commitment” in § 92.2.
- (3) Conversion of an existing structure to affordable housing is rehabilitation, unless the conversion entails adding one or more units beyond the existing walls, in which case, the project is new construction for purposes of this part.
- (4) **Manufactured housing.** HOME funds may be used to purchase and/or rehabilitate a manufactured housing unit, or purchase the land upon which a manufactured housing unit is located. Except for existing, owner-occupied manufactured housing that is rehabilitated with HOME funds, the manufactured housing unit must, at the time of project completion, be connected to permanent utility hook-ups and be located on land that is owned by the manufactured housing unit owner or land for which the manufactured housing owner has a lease for a period at least equal to the applicable period of affordability.

(b) *Forms of assistance.*

- (1) A participating jurisdiction may invest HOME funds as equity investments, interest-bearing loans or advances, non-interest-bearing loans or advances, interest subsidies consistent with the purposes of this part, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the purposes of this part and specifically approves in writing. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of this part.

- (2) A participating jurisdiction may invest HOME funds to guarantee loans made by lenders and, if required, the participating jurisdiction may establish a loan guarantee account with HOME funds. The HOME funds may be used to guarantee the timely payment of principal and interest or payment of the outstanding principal and interest upon foreclosure of the loan. The amount of the loan guarantee account must be based on a reasonable estimate of the default rate on the guaranteed loans, but under no circumstances may the amount on deposit exceed 20 percent of the total outstanding principal amount guaranteed; except that the account may include a reasonable minimum balance. While loan funds guaranteed with HOME funds are subject to all HOME requirements, funds which are used to repay the guaranteed loans are not.
- (c) **Minimum amount of assistance.** The minimum amount of HOME funds that must be invested in a project involving rental housing or homeownership is \$1,000 times the number of HOME-assisted units in the project.
- (d) **Multi-unit projects.** HOME funds may be used to assist one or more housing units in a multi-unit project.
 - (1) Only the actual HOME eligible development costs of the assisted units may be charged to the HOME program. If the assisted and nonassisted units are not comparable, the actual costs may be determined based on a method of cost allocation. If the assisted and non-assisted units are comparable in terms of size, features, and number of bedrooms, the actual cost of the HOME-assisted units can be determined by prorating the total HOME eligible development costs of the project so that the proportion of the total development costs charged to the HOME program does not exceed the proportion of the HOME-assisted units in the project.
 - (2) After project completion, the number of units designated as HOME- assisted may be reduced only in accordance with § 92.210, except that in a project consisting of all HOME- assisted units, one unit may be subsequently converted to an on-site manager's unit if the participating jurisdiction determines that the conversion will contribute to the stability or effectiveness of the housing and that, notwithstanding the loss of one HOME-assisted unit, the costs charged to the HOME program do not exceed the actual costs of the HOME- assisted units and do not exceed the subsidy limit in § 92.250(b).
- (e) **Terminated projects.** A HOME assisted project that is terminated before completion, either voluntarily or involuntarily, constitutes an ineligible activity, and the participating jurisdiction must repay any HOME funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with § 92.503(b) (except for project- specific assistance to community housing development organizations as provided in § 92.301(a)(3) and (b)(3)).
 - (1) A project that does not meet the requirements for affordable housing must be terminated and the participating jurisdiction must repay all HOME funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with § 92.503(b).
 - (2) If a participating jurisdiction does not complete a project within 4 years of the date of commitment of funds, the project is considered to be terminated and the participating jurisdiction must repay all funds invested in the project to the participating jurisdiction's HOME Investment Trust Fund in accordance with § 92.503(b). The participating jurisdiction may request a one-year extension of this deadline in writing, by submitting information about the status of the project, steps being taken to overcome any obstacles to completion, proof of adequate funding to complete the project, and a schedule with milestones for completion of the project for HUD's review and approval.

[61 FR 48750, Sept. 16, 1996, as amended at 62 FR 28928, May 28, 1997; 78 FR 44667, July 24, 2013]

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VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

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Account Number: 3559929

Ad Order Number: 0006870246

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Publication: Vallejo Times-Herald

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**Invoice Text: NOTICE OF PUBLIC HEARING
HOUSING AND COMMUNITY
DEVELOPMENT NEEDS IN THE CITY OF
VALLEJO FOR THE HUD-REQUIRED
CONSOLIDATED PLAN**

DATE OF NOTICE: December 21, 2024

FOR MORE INFORMATION: Chari Francisco, Administrative Manager
chari.francisco@cityofvallejo.net

As a condition of receiving certain federal housing and community development funding, the City of Vallejo is required to adopt a "Consolidated Plan". The City's next Consolidated Plan will include the period beginning July 1, 2025 and ending June 30, 2030. The Consolidated Plan includes an analysis and identification of: (1) priority affordable housing needs, (2) priority needs of the homeless, (3) priority needs of populations with special needs, and (4) community development (non-housing) needs, which may include the need for neighborhood and public improvements, public facilities, social services, and economic development.

The Consolidated Plan also includes a one-year "Action Plan" for the first year of the Consolidated Plan, and which contains the City's proposed allocation of federal Community Development Block Grant (CDBG) Program funds for the period beginning July 1, 2025, and ending June 30, 2026 (Fiscal Year (FY) 2025-26).

According to the City's Citizen Participation Plan, before a draft of the Consolidated Plan is prepared, the City will hold at least one public hearing to gather information and receive comments on housing and community development needs in Vallejo. On **Tuesday, January 7, 2025, after 6:00 p.m.**, the Housing and Community Development (HCD) Commission of the City of Vallejo will hold a public hearing, during its special meeting, on housing and community development needs in the community. It is important to note that the HCD Commission will **not** be recommending the allocation of funding to projects and activities at this hearing/meeting.

This hearing will also provide an opportunity for residents and other interested parties to comment on how the City's CDBG Program and HOME Program funds may be used in FY 2025-26. Written comments on this topic may also be submitted until 5:00 p.m. on Tuesday, January 7, 2025, to: Brianna Todaro-Ellsworth, Administrative Analyst, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, Tel: (707) 648-4357, or via e-mail: Brianna.Todaro-Ellsworth@cityofvallejo.net

The City's deadline for submitting the Consolidated Plan to HUD is May 15, 2025.

The City of Vallejo provides its programs and services in a non-discriminatory manner, and is an Equal Opportunity Employer. The City of Vallejo also encourages women and minority-owned businesses to submit bids and proposals for Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program contracts. For further information, contact the City of Vallejo Housing and Community Development Division at (707) 648-4507. For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TDD.

Vallejo Times-Herald

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3559929

VALLEJO CITY HOUSING
200 GEORGIA STREET
VALLEJO, CA 94590

PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

FILE NO. CONPLAN-ENGLISH

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

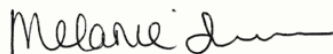
I declare that the Vallejo Times-Herald is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order dated June 12, 1952 in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of Vallejo Times-Herald as a Newspaper of General Circulation, Case Number 25864. Said order states "Vallejo Times-Herald" has been established, printed and published in the City of Vallejo, County of Solano, State of California; That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of general character and has a bona fide subscription list of paying subscribers; and...THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:...That "Vallejo Times-Herald" is a newspaper of general circulation for the City of Vallejo, County of Solano, California. Said order has not been revoked.

I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

12/21/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
23th day of December 2024



(Signature) Melanie Irmer

Legal No. **0006870246**



NOTICE OF PUBLIC HEARING HOUSING AND COMMUNITY DEVELOPMENT NEEDS IN THE CITY OF VALLEJO FOR THE HUD-REQUIRED CONSOLIDATED PLAN

DATE OF NOTICE: December 21, 2024

FOR MORE INFORMATION: Chari Francisco,
Administrative Manager
chari.francisco@cityofvallejo.net

As a condition of receiving certain federal housing and community development funding, the City of Vallejo is required to adopt a "Consolidated Plan". The City's next Consolidated Plan will include the period beginning July 1, 2025 and ending June 30, 2030. The Consolidated Plan includes an analysis and identification of: (1) priority affordable housing needs, (2) priority needs of the homeless, (3) priority needs of populations with special needs, and (4) community development (non-housing) needs, which may include the need for neighborhood and public improvements, public facilities, social services, and economic development.

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According to the City's Citizen Participation Plan, before a draft of the Consolidated Plan is prepared, the City will hold at least one public hearing to gather information and receive comments on housing and community development needs in Vallejo. On **Tuesday, January 7, 2025, after 6:00 p.m.**, the Housing and Community Development (HCD) Commission of the City of Vallejo will hold a public hearing, during its special meeting, on housing and community development needs in the community. It is important to note that the HCD Commission will **not** be recommending the allocation of funding to projects and activities at this hearing/meeting.

This hearing will also provide an opportunity for residents and other interested parties to comment on how the City's CDBG Program and HOME Program funds may be used in FY 2025-26. Written comments on this topic may also be submitted until 5:00 p.m. on Tuesday, January 7, 2025, to: Brianna Todaro-Ellsworth, Administrative Analyst, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, Tel: (707) 648-4357, or via e-mail: Brianna.Todaro-Ellsworth@cityofvallejo.net

The City's deadline for submitting the Con-

solidated Plan to HUD is May 15, 2025.

The City of Vallejo provides its programs and services in a non-discriminatory manner, and is an Equal Opportunity Employer. The City of Vallejo also encourages women and minority-owned businesses to submit bids and proposals for Community Development Block Grant (CDBG) Program and HOME Investment Partnerships Program contracts. For further information, contact the City of Vallejo Housing and Community Development Division at (707) 648-4507. For further information on this public notice, the hearing-impaired may call the California Relay Service at 1-800-735-2922 without a TTY/TDD, or 1-800-735-2929 with a TTY/TDD.

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**Invoice Text: AVISO DE AUDIENCIA PÚBLICA
NECESIDADES DE VIVIENDA Y DESARROLLO COMUNITARIO EN LA CIUDAD DE VALLEJO PARA EL PLAN
CONSOLIDADO REQUERIDO POR HUD**

FECHA DE AVISO: 21 de diciembre de 2024

PARA MÁS INFORMACIÓN: Chari Francisco, Gerente Administrativa
chari.francisco@cityofvallejo.net

Como condición para recibir ciertos fondos federales para vivienda y desarrollo comunitario, la Ciudad de Vallejo debe adoptar un "Plan Consolidado". El próximo Plan Consolidado de la Ciudad incluirá el período que comienza el 1 de julio de 2025 y finaliza el 30 de junio de 2030. El Plan Consolidado incluye un análisis e identificación de: (1) necesidades prioritarias de vivienda asequible, (2) necesidades prioritarias de las personas sin hogar, (3) necesidades prioritarias de poblaciones con necesidades especiales, y (4) necesidades de desarrollo comunitario (no relacionadas con la vivienda), que pueden incluir la necesidad de mejoras públicas y vecinales, instalaciones públicas, servicios sociales y desarrollo económico.

El Plan Consolidado también incluye un "Plan de Acción" de un año para el primer año del Plan Consolidado, y que contiene la asignación propuesta por la Ciudad de fondos federales del Programa de Subvenciones en Bloque para el Desarrollo Comunitario (CDBG) para el período que comienza el 1 de julio de 2025 y finaliza el 30 de junio de 2026 (año fiscal (FY) 2025-26).

Según el Plan de Participación Ciudadana de la Ciudad, antes de que se prepare un borrador del Plan Consolidado, la Ciudad llevará a cabo al menos una audiencia pública para recopilar información y recibir comentarios sobre las necesidades de vivienda y desarrollo comunitario en Vallejo. El **martes 7 de enero de 2025, después de las 6:00 p.m.**, la Comisión de Vivienda y Desarrollo Comunitario (HCD) de la Ciudad de Vallejo llevará a cabo una audiencia pública, durante su reunión especial, sobre las necesidades de vivienda y desarrollo comunitario en la comunidad. Es importante señalar que la Comisión HCD **no** recomendará la asignación de fondos a proyectos y actividades en esta audiencia/reunión.

Esta audiencia también brindará una oportunidad para que los residentes y otros partidos interesados comenten sobre cómo se pueden utilizar los fondos del programa CDBG y del programa HOME de la ciudad en el año fiscal 2025-26. También se podrán enviar comentarios por escrito sobre este tema hasta las 5:00 p.m. el martes 7 de enero de 2025, a: Brianna Todaro-Ellsworth, Analista Administrativa, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, Tel: (707) 648-4357, o por correo electrónico: Brianna.Todaro-Ellsworth@cityofvallejo.net

La fecha límite de la Ciudad para presentar el Plan Consolidado a HUD es el 15 de mayo de 2025.

La Ciudad de Vallejo ofrece sus programas y servicios de manera no discriminatoria y es un Empleador de Igualdad de Oportunidades. La Ciudad de Vallejo también anima a las mujeres y a los propietarios de empresas de minorías presentar ofertas y propuestas para el Programa de Subvenciones en Bloque para el Desarrollo Comunitario (CDBG) y el Programa HOME Contratos de Inversión de Casa. Para obtener más información, comuníquese con la División de Vivienda y Desarrollo Comunitario de la Ciudad de Vallejo al (707-648-4507. Para obtener más información sobre este aviso público, las personas con discapacidad auditiva puede llamar al Servicio de Retransmisión de California al 1-800-735-2922 sin TTY/TDD, o al 1-800-735-2929 con TTY/TDD.

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PROOF OF PUBLICATION (2015.5 C.C.P.)

STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

FILE NO. CONPLAN-SPANISH

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

I declare that the Vallejo Times-Herald is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order dated June 12, 1952 in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of Vallejo Times-Herald as a Newspaper of General Circulation, Case Number 25864. Said order states "Vallejo Times-Herald" has been established, printed and published in the City of Vallejo, County of Solano, State of California; That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of general character and has a bona fide subscription list of paying subscribers; and...THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:...That "Vallejo Times-Herald" is a newspaper of general circulation for the City of Vallejo, County of Solano, California. Said order has not been revoked.

I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

12/21/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
23th day of December 2024



(Signature) Melanie Irmer

Legal No. **0006870250**



AVISO DE AUDIENCIA PÚBLICA NECESIDADES DE VIVIENDA Y DESARROLLO COMUNITARIO EN LA CIUDAD DE VALLEJO PARA EL PLAN CONSOLIDADO REQUERIDO POR HUD

FECHA DE AVISO : 21 de diciembre de 2024

PARA MÁS INFORMACIÓN: Chari Francisco,
Gerente Administrativa
chari.francisco@cityofvallejo.net

Como condición para recibir ciertos fondos federales para vivienda y desarrollo comunitario, la Ciudad de Vallejo debe adoptar un "Plan Consolidado". El próximo Plan Consolidado de la Ciudad incluirá el período que comienza el 1 de julio de 2025 y finaliza el 30 de junio de 2030. El Plan Consolidado incluye un análisis e identificación de: (1) necesidades prioritarias de vivienda asequible, (2) necesidades prioritarias de las personas sin hogar, (3) necesidades prioritarias de poblaciones con necesidades especiales, y (4) necesidades de desarrollo comunitario (no relacionadas con la vivienda), que pueden incluir la necesidad de mejoras públicas y vecinales, instalaciones públicas, servicios sociales y desarrollo económico.

El Plan Consolidado también incluye un "Plan de Acción" de un año para el primer año del Plan Consolidado, y que contiene la asignación propuesta por la Ciudad de fondos federales del Programa de Subvenciones en Bloque para el Desarrollo Comunitario (CDBG) para el período que comienza el 1 de julio de 2025 y finaliza el 30 de junio de 2026 (año fiscal (FY) 2025-26).

Según el Plan de Participación Ciudadana de la Ciudad, antes de que se prepare un borrador del Plan Consolidado, la Ciudad llevará a cabo al menos una audiencia pública para recopilar información y recibir comentarios sobre las necesidades de vivienda y desarrollo comunitario en Vallejo. El **martes 7 de enero de 2025, después de las 6:00 p.m.**, la Comisión de Vivienda y Desarrollo Comunitario (HCD) de la Ciudad de Vallejo llevará a cabo una audiencia pública, durante su reunión especial, sobre las necesidades de vivienda y desarrollo comunitario en la comunidad. Es importante señalar que la Comisión HCD **no** recomendará la asignación de fondos a proyectos y actividades en esta audiencia/reunión.

Esta audiencia también brindará una oportunidad para que los residentes y otros partidos interesados comenten sobre cómo se pueden utilizar los fondos del programa CDBG y del programa HOME de la ciudad en el año fiscal 2025-26. También se podrán enviar comentarios por escrito

sobre este tema hasta las 5:00 p.m. el martes 7 de enero de 2025, a: Brianna Todaro-Ellsworth, Analista Administrativa, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, Tel: (707) 648-4357, o por correo electrónico: Brianna.Todaro-Ellsworth@cityofvallejo.net

La fecha límite de la Ciudad para presentar el Plan Consolidado a HUD es el 15 de mayo de 2025.

La Ciudad de Vallejo ofrece sus programas y servicios de manera no discriminatoria y es un Empleador de Igualdad de Oportunidades. La Ciudad de Vallejo también anima a las mujeres y a los propietarios de empresas de minorías presentar ofertas y propuestas para el Programa de Subvenciones en Bloque para el Desarrollo Comunitario (CDBG) y el Programa HOME Contratos de Inversión de Casa. Para obtener más información, comuníquese con la División de Vivienda y Desarrollo Comunitario de la Ciudad de Vallejo al (707) 648-4507. Para obtener más información sobre este aviso público, las personas con discapacidad auditiva puede llamar al Servicio de Retransmisión de California al 1-800-735-2922 sin TTY/TDD, o al 1-800-735-2929 con TTY/TTD.

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**Invoice Text: PAUNAWA NG PAMPUBLIKONG PAGDINIG
HOUSING AND COMMUNITY DEVELOPMENT NEEDS SA LUNGSOD NG VALLEJO PARA SA HUD-REQUIRED
CONSOLIDATED PLAN**

PETSA NG PAUNAWA: December 21, 2024

PARA SA KARAGDAGANG IMPORMASYON: Chari Francisco, Administrative Manager
chari.francisco@cityofvallejo.net

Bilang isang kondisyon ng pagtanggap ng ilang partikular na pederal na pabahay at pagpopondo sa pagpapaunlad ng komunidad, ang Lungsod ng Vallejo ay kinakailangang magpatibay ng isang "Consolidated Plan" Kasama sa susunod na Consolidated Plan ng Lungsod ang panahon simula sa Hulyo 1, 2025 at magtatapos sa Hunyo 30, 2030. Ang Consolidated Plan ay may kasama na analysis at pagtukoy ng: (1) priyoridad na mga pangangailangan sa abot-kayang pabahay. (2) priyoridad na pangangailangan ng mga walang tirahan, (3) priyoridad na pangangailangan ng mga populasyon na may mga espesyal na pangangailangan, at (4) pagpapaunlad ng komunidad (hindi pabahay) na mga pangangailangan, na maaaring kabilang ang pangangailangan para sa kapitbahayan at pampublikong pagpapabuti, pampublikong pasilidad, serbisyonang panlipunan, at pag-unlad ng ekonomiya.

Kasama rin sa Consolidated Plan ang isang taong "Action Plan" para sa unang taon ng Consolidated Plan, at naglalaman ng iminungkahing paglalaan ng Pederal na Community Development Block Grant (CDBG) na pondo ng Programa para sa panahon simula Hulyo 1, 2025, at magtatapos sa Hunyo 30, 2026 (Fiscal Year (FY) 2025-26). Ayon sa Citizen Participation Plan ng lungsod, bago maihanda ang draft ng Consolidated Plan, magsasagawa ang lungsod ng at least isang publikong pagdinig upang mangalap ng impormasyon at makatanggap ng mga komento sa mga pangangailangan sa pabahay at pagpapaunlad ng komunidad sa Vallejo. Sa Martes, Enero 7, 2025, pagkatapos ng 6:00 p.m., ang Housing and Community Development (HCD) Commission ng Lungsod ng Vallejo ay magsasagawa ng pampublikong pagdinig, sa panahon ng espesyal na pagpupulong nito, sa mga housing at community development na pangangailangan sa komunidad. Mahalagang tandaan na hindi irekomenda ng HCD Commission ang paglalaan ng pondo sa mga proyekto at aktibidad sa pagdinig/pulong na ito.

Ang pagdinig na ito ay magbibigay din ng pagkakataon para sa mga residente at iba pang interesadong partido na magkomento sa kung paano magagamit ang mga pondo ng CDBG Program at HOME Program ng Lungsod sa FY 2025-26. Ang mga nakasulat na komento sa paksang ito ay maaari ding isumite hanggang 5:00 p.m. sa Martes, Enero 7, 2025, kay: Brianna Todaro-Ellsworth, Administrative Analyst, City of Vallejo, 200 Georgia Street, Vallejo, CA 94590, Tel: (707) 648-4357, o sa pamamagitan ng e-mail: Brianna.Todaro-Ellsworth@cityofvallejo.net.

Ang deadline ng Lungsod para sa pagsusumite ng Consolidated Plan sa HUD ay sa Mayo 15, 2025.

Ang Lungsod ng Vallejo ay nagbibigay ng mga programa at serbisyo nito sa paraang walang diskriminasyon, at isang Equal Opportunity Employer. Hinihikayat din ng Lungsod ng Vallejo ang mga kababaihan at mga negosyong pag-aari ng minoritya na magsumite ng mga bid at panukala para sa mga kontrata ng Community Development Block Grant (CDBG) at HOME Investment Partnerships Program. Para sa karagdagang impormasyon, makipag-ugnayan sa City of Vallejo Housing and Community Development Division sa (707) 648-4507. Para sa karagdagang impormasyon sa pampublikong abiso na ito, ang may kapansanan sa pandinig ay maaaring tumawag sa California Relay Service sa 1-800-735-2922 nang walang TTY/TDD, o 1-800-735-2929 na may TTY/TDD.

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STATE OF CALIFORNIA
COUNTY OF SOLANO, S.S.

FILE NO. CONPLAN-TAGALOG

I am a citizen of the United States. I am over the age of eighteen years and not a party to or interested in the above-entitled matter. I am the Legal Advertising Clerk of the printer and publisher of the Vallejo Times-Herald, a newspaper published in the English language in the City of Vallejo, County of Solano, State of California.

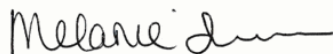
I declare that the Vallejo Times-Herald is a newspaper of general circulation as defined by the laws of the State of California as determined by this court's order dated June 12, 1952 in the action entitled In the Matter of the Ascertainment and Establishment of the Standing of Vallejo Times-Herald as a Newspaper of General Circulation, Case Number 25864. Said order states "Vallejo Times-Herald" has been established, printed and published in the City of Vallejo, County of Solano, State of California; That it is a newspaper published daily for the dissemination of local and telegraphic news and intelligence of general character and has a bona fide subscription list of paying subscribers; and...THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED:...That "Vallejo Times-Herald" is a newspaper of general circulation for the City of Vallejo, County of Solano, California. Said order has not been revoked.

I declare that this notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to wit:

12/21/2024

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Vallejo, California, this
23th day of December 2024



(Signature) Melanie Irmer

Legal No. 0006870243



PAUNAWA NG PAMPUBLIKONG PAGDINIG HOUSING AND COMMUNITY DEVELOP- MENT NEEDS SA LUNGSOD NG VALLEJO PARA SA HUD-REQUIRED CONSOLIDATED PLAN

PETSA NG PAUNAWA: December 21, 2024

PARA SA KARAGDAGANG IMPORMASYON:
Chari Francisco, Administrative Manager
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